



Badger Infrastructure Solutions Ltd. Delivers Solid Growth in 2025 First Quarter Revenue, Adjusted EBITDA and Adjusted Net Earnings

CALGARY, Alberta, April 29, 2025 -- Badger Infrastructure Solutions Ltd. ("Badger", the "Company", "we", "our" or "us") (TSX:BDGI) reported first quarter results today. All results are presented in U.S. dollars unless otherwise stated.

2025 FIRST QUARTER OPERATIONAL HIGHLIGHTS

- Revenue was \$172.6 million, up 7% from 2024.
- Gross profit margin was 25.5%, up from 24.8% in 2024.
- Adjusted EBITDA⁽¹⁾ improved to \$33.8 million, up 16% from 2024.
- Adjusted EBITDA margin⁽¹⁾ rose to 19.6%, up from 18.1% in 2024.
- Revenue per truck per month ("RPT")⁽¹⁾ was U.S.\$35,034, compared to U.S.\$35,138 in 2024 (Note: RPT will be reported in U.S. dollars going forward).
- Adjusted earnings per share⁽¹⁾ was \$0.19, up 36% from 2024.
- The Company's board of directors has approved a quarterly cash dividend of CAD\$0.1875 per common share for the second fiscal quarter of 2025, with payment to be made on or after July 15, 2025, to all shareholders of record on June 30, 2025.
- 301,000 Company shares were purchased under the Company's normal course issuer bid (the "NCIB") at a weighted average price of CAD \$38.31 per share.

"Badger had a strong start to the year as our revenue grew 7% to \$172.6 million and Adjusted EBITDA increased 16% compared to last year. This shows the business' operating leverage that has resulted from our continued focus on improving margins and profitability in the seasonally slower first quarter. Despite historically adverse weather in the southern half of the U.S. in January and February, our results reflect the efforts of our sales and operations teams to overcome these challenges and continue to capture market share as the trend of ongoing demand for our services recovered in March," said Rob Blackadar, President & Chief Executive Officer.

"We are preparing for another busy construction season and year of growth in non-destructive excavation services across our end markets. Our hydrovac fleet, which we plan to grow by 4% to 7% this year, provides us with ample capacity to absorb additional demand in 2025. With our strategic initiatives to leverage pricing opportunities, the capacity in our current fleet, and our disciplined 2025 capital program, Badger is well-positioned to meet our customers' growing needs," concluded Mr. Blackadar.

FINANCIAL HIGHLIGHTS

(\$ U.S. thousands except RPT, truck count, ratios, per share amounts, and share information)	Three months ended March 31,	
	2025	2024
Revenue:		
Non-destructive excavation service	164,835	151,991
Other	7,798	9,571
Total revenue	172,633	161,562
RPT - Consolidated (U.S. dollars) ⁽¹⁾⁽²⁾	35,034	35,138
RPT - Consolidated (mixed currency) ⁽¹⁾	36,770	36,904
Adjusted EBITDA ⁽¹⁾	33,792	29,179
Adjusted EBITDA per share, basic and diluted ⁽¹⁾	\$0.99	\$0.85
Adjusted EBITDA margin ⁽¹⁾	19.6%	18.1%
Net earnings before income tax	5,887	2,342
Net earnings	3,255	1,779
Net earnings per share, basic and diluted ⁽¹⁾	\$0.10	\$0.05
Adjusted net earnings ⁽¹⁾	6,350	4,928
Adjusted net earnings per share, basic and diluted ⁽¹⁾	\$0.19	\$0.14
Cash flow from operations before working capital and other adjustments	33,679	29,196
Cash flow from operations before working capital and other adjustments		

per share, basic and diluted ⁽¹⁾	\$0.99	\$0.85
Total debt to Compliance EBITDA ⁽¹⁾	1.4x	1.5x
Capital expenditures	25,612	30,031
Hydrovac truck count	1,661	1,529
Dividends paid	4,289	4,443
Cash paid to repurchase common shares under the NCIB	7,721	—
Common shares repurchased and cancelled under the NCIB	301,000	—
Weighted average common shares outstanding ⁽³⁾	34,058,638	34,473,438

⁽¹⁾ "Adjusted EBITDA", "Adjusted EBITDA per share", "Adjusted EBITDA margin", "Adjusted net earnings", "Adjusted earnings per share", "Compliance EBITDA", "Total debt" and "RPT" are not standardized financial measures prescribed by IFRS[®] Accounting Standards ("IFRS") and may not be comparable to similar measures presented by other companies or entities. See "Non-IFRS Financial Measures" and p.15-18 of the Management's Discussion and Analysis for the year ended December 31, 2024 (the "Annual MD&A") for additional detail on the definition and calculation of Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net earnings, Compliance EBITDA and Total debt. See "Key Financial Metrics and Other Operational Metrics" and p.13 of the Annual MD&A for additional details on RPT. Per share, basic and diluted measures are calculated by dividing the financial measure with the weighted average common shares outstanding for the period.

⁽²⁾ Effective January 31, 2025, the Company changed the reporting segment disclosure to one consolidated segment. As a result, RPT is presented as one consolidated total in U.S. dollars. Comparative periods were restated to reflect the change.

⁽³⁾ See "Share Capital" in the Company's Management's Discussion and Analysis ("MD&A") for the three months ended March 31, 2025 and 2024 for additional details and Note 12 of the Company's interim condensed consolidated financial statements for the three months ended March 31, 2025 and 2024 for additional details on the changes to share capital.

BUSINESS OUTLOOK

For the remainder of 2025, we see continued opportunities for growth, particularly in the U.S. despite ongoing uncertainty resulting from tariffs and potential trade disputes. Accordingly, Badger's focus remains unchanged. We will continue to leverage our customer relationships through our Sales and National Account strategies to drive higher activity levels across our broad branch network, capturing more density in major markets. Further, we are increasingly focused on our operating efficiency and the stability of our overhead support functions. To accelerate this effort we are extending our operational excellence initiatives from our manufacturing plant to the entire field operations group to streamline and enhance our customers' experience. We believe this initiative will help Badger continue to realize solid operating leverage on additional revenues.

Badger is focused on disciplined fleet management and utilization to support its organic growth requirements and will continue to leverage its vertically integrated manufacturing capabilities. Our investments in our hydrovac fleet include further planned growth of 4% to 7% in 2025. Together with our programs to capture pricing opportunities, the capacity in our current fleet and our disciplined 2025 capital program, Badger is well positioned to meet our growing customer needs.

	2025 Outlook
New builds	180 units to 210 units
Retirements	90 units to 130 units
Refurbishments	50 units to 60 units
Total Capital Spend ⁽¹⁾	\$95 million to \$115 million

⁽¹⁾ Total capital spend includes the cost to manufacture a new hydrovac, refurbishments, ancillary equipment and other capital projects and does not include the impact of any potential tariffs or retaliatory tariffs.

Badger is in the lower half of its financial leverage range. We have capacity to continue investing in the business to grow organically, while making purchases under the NCIB and returning capital to our shareholders through dividends.

The impact of the scope and duration of the tariffs on Canadian exports and the retaliatory tariffs on certain U.S. exports remains uncertain. The measures that are currently in place are anticipated to have a minor impact on the cost of the hydrovacs that we assemble at our plant in Red Deer, Alberta and use in our operations across North America. However, the uncertainty resulting from these and any potential future measures may lead to a slowdown in the markets where Badger operates. Badger has undertaken a number of initiatives to mitigate the impacts of these tariffs. We currently have ample fleet positioned in the right markets, providing the flexibility to manage through some of these uncertainties in 2025.

ABOUT BADGER INFRASTRUCTURE SOLUTIONS LTD.

Badger Infrastructure Solutions Ltd. (TSX:BDGI) is North America's largest provider of non-destructive excavating and related services. Badger works for contractors and facility owners in a broad range of infrastructure industries and in general commercial construction. Badger's customers typically operate near high concentrations of underground power, communication, water, gas and sewer lines, where safety and economic risks are high and where non-destructive excavation provides a safe alternative for certain customer excavation requirements.

The Company's key technology is the Badger Hydrovac[™], which is used primarily for safe excavation around critical

infrastructure and in congested underground conditions. The Badger Hydrovac uses a pressurized water stream to liquify the soil cover, which is then removed with a powerful vacuum system and deposited into a storage tank. Badger is unique in the non-destructive excavation industry because it designs and manufactures all of its hydrovac units at its plant in Red Deer, Alberta, which has an annual production capacity of more than 350 hydrovac units. The Company has a refurbishment program to extend the service life of certain units when it is financially prudent to do so based on the condition of the unit at the end of its normal useful life. To complement the Badger Hydrovac and extend the Company's service offerings, the Company has a select number of specialty units, mainly combo trucks, sewer and flusher units, and airvacs.

2025 FIRST QUARTER CONFERENCE CALL

A conference call and webcast for investors, analysts and brokers to discuss the 2025 first quarter results is scheduled for 7:00 a.m. MT on Wednesday, April 30, 2025. To join the call and ask a question during the live questions and answers session, or to join the call with audio only: <https://event.cwebcast.com/ses/KwvmzdWwByPQ3uVvV9ZVxg~~>

2025 FIRST QUARTER DISCLOSURE DOCUMENTS

Badger's first quarter 2025 MD&A and interim condensed consolidated financial statements for the three months ended March 31, 2025, along with all previous public filings of Badger Infrastructure Solutions Ltd. may be found on SEDAR+ at www.sedarplus.ca.

NON-IFRS FINANCIAL MEASURES

This press release contains references to certain financial measures, including some that do not have any standardized meaning prescribed by IFRS and that may not be comparable to similar measures presented by other companies or entities. These financial measures are identified and defined below. See "Non-IFRS Financial Measures" in the Company's 2024 Annual MD&A for detailed reconciliations of non-IFRS financial measures.

"**Adjusted EBITDA**" is earnings before interest, taxes, depreciation and amortization, share-based compensation, gains and losses on derivative instruments, gains and losses on sale of property, plant and equipment and right of use assets, and gains and losses on foreign exchange. Adjusted EBITDA is a measure of the Company's operating profitability and is therefore useful to management and investors as it provides improved continuity with respect to the comparison of operating results over time. Adjusted EBITDA provides an indication of the results generated by the Company's principal business activities prior to how these activities are financed, the results are taxed in various jurisdictions and assets are amortized. In addition, Adjusted EBITDA excludes gains and losses on sale of property, plant and equipment and right of use assets as these gains and losses are considered incidental and secondary to the principal business activities, gains and losses on foreign exchange as such gains and losses can vary significantly based on factors beyond the Company's control; and share-based compensation and gains and losses on derivative instruments as these expenses can vary significantly with changes in the price of the Company's common shares.

"**Adjusted EBITDA margin**" is Adjusted EBITDA as defined above, expressed as a percentage of revenues.

"**Adjusted net earnings**" is net earnings adjusted for share-based compensation, gains and losses on derivative instruments, gains and losses on sale of property, plant and equipment and right of use assets, and gains and losses on foreign exchange, tax impacted using the effective tax rate.

KEY FINANCIAL METRICS AND OTHER OPERATIONAL METRICS

"**Revenue per truck per month**" ("RPT") is a measure of non-destructive excavation fleet utilization. It is calculated using non-destructive excavation revenue only. RPT is calculated on a consolidated basis by dividing non-destructive excavation revenue only, in the Company's reporting currency and in the respective local currencies, by the average number of non-destructive excavation units in service in the Company during the period.

See "Key Financial Metrics and Other Operational Metrics" on page 10 of the Company's 2025 first quarter MD&A for additional details on RPT.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements and information contained in this press release and other continuous disclosure documents of the Company referenced herein, including statements and information that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "continue", "position to", "focus on", "grow", "trend",

"plans" and similar expressions relating to matters that are not historical facts, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements and information involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements and information. The Company believes the expectations reflected in such forward-looking statements and information are reasonable, but no assurance can be given that these expectations will prove to be correct. Such forward-looking statements and information included in this press release should not be unduly relied upon. These forward-looking statements and information speak only as of the date of this press release.

In particular, forward-looking information and statements in this press release include, but are not limited to the following:

- Badger's continued focus on improving margins and profitability;

- expectations regarding the construction season and growth in non-destructive excavation services across Badger's end markets;
- expectations regarding Badger's manufacturing and fleet strategy, including with respect to fleet count,
- new builds, retirements, refurbishments and capital spend;
- Badger's ability to meet its customers' growing needs;
- disclosure under the heading "Business Outlook"; and
- general business strategies and objectives.

The forward-looking information and statements made in this press release rely on certain expected economic conditions and overall demand for Badger's services and are based on certain assumptions. The assumptions used to generate this forward-looking information and statements are, among other things, that:

- Badger will maintain its financial position and financial resources will continue to be available to Badger;
- There will be long-term sustained customer demand for non-destructive excavation and related services from a broad range of end use markets in North America;
- Badger will maintain relationships with current customers and develop successful relationships with new customers;
- Badger will collect customer payments in a timely manner;
- Badger will be able to compete effectively for the demand for its services;
- There will not be significant changes in profit margins due to pricing changes driven by market conditions, competition, regulatory factors or other unforeseen factors;
- Badger will realize and continue to realize the efficiencies and benefits of the executed business restructuring activities and other business improvement initiatives; and
- Badger will obtain all labour, parts and supplies necessary to complete the planned Badger non-destructive excavation build at the costs and on the timeline expected.

Risks and other uncertainties that could cause actual results to differ materially from those anticipated in such forward-looking statements include, but are not limited to: political and economic conditions; industry competition; price fluctuations for oil and natural gas and related products and services; Badger's ability to attract and retain key personnel; the availability of future debt and equity financing; changes in laws or regulations, including taxation and environmental regulations which may adversely impact the labour supply and operating costs of Badger; extreme or unsettled weather patterns; and fluctuations in foreign exchange or interest rates.

Readers are cautioned that the foregoing factors are not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results is included in reports on file with securities regulatory authorities in Canada and may be accessed through the SEDAR+ website (www.sedarplus.ca) or at the Company's website. The forward-looking statements and information contained in this press release are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Source: Badger Infrastructure Solutions Ltd.

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