

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and twelve months ended December 31, 2024 and 2023



BLACK DIAMOND
GROUP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") compares the financial performance of Black Diamond Group Limited ("Black Diamond", the "Company", "our" and "we") for the three months ended December 31, 2024 (the "Quarter") with the three months ended December 31, 2023 (the "Comparative Quarter") and the twelve months ended December 31, 2024 (the "Year") with the twelve months ended December 31, 2023 (the "Prior Year"). This MD&A should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2024 and 2023. The accompanying audited consolidated financial statements of Black Diamond are prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A contains non-GAAP financial measures, such as Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA as a % of Revenue, Net Debt, Net Debt to TTM Adjusted Leverage EBITDA, Funds from Operations, Free Cashflow, Gross Profit Margin, Return on Assets, VAPS as a % of Rental Revenue, Gross Bookings, Net Revenue Margin and Net Capital Expenditures, which do not have standardized meanings under generally accepted accounting principles ("GAAP") and, therefore may not be comparable to similar measures presented by other issuers. For definitions, reconciliations and further information please see the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A. This MD&A was prepared as of March 6, 2025 and, unless otherwise indicated, all amounts are stated in Canadian dollars. Black Diamond's common shares are listed on the Toronto Stock Exchange under the symbol "BDI" and quoted on the OTCQX Best Market under the symbol "BDIMF".

Additional information relating to Black Diamond, including Black Diamond's annual information form for the year ended December 31, 2024, may be found on the Black Diamond website at www.blackdiamondgroup.com or Black Diamond's profile on the System for Electronic Data Analysis and Retrieval+ at www.sedarplus.ca ("SEDAR+").

Certain information set forth in this MD&A contains forward-looking statements including, but not limited to, the Company's outlook for 2025, expectations for and opportunities in different geographic areas, opportunities for organic investment, reinvesting operating cashflows, the Company's ability to fund organic and inorganic growth, management's goals and business objectives, the sales and opportunity pipeline, timing and payment of the Company's quarterly dividends, the anticipated timeline and budget for the Company's Enterprise Resource Planning ("ERP") system upgrade and implementation project, objectives of the health and safety program, utilization levels, contract renewals, management's assessment of Black Diamond's future operations and what may have an impact on them, expectations regarding the rental rate environment, opportunities and effect of deploying investment capital, financial performance, business prospects and opportunities, changing operating environment including changing activity levels, effects on demand and performance based on the changing operating environment, expectations for demand and growth in the Company's operating and customer segments, future deployment of assets, amount of revenue anticipated to be derived from current contracts, anticipated debt levels, liquidity demands and sources, ongoing contractual terms and debt obligations, liquidity, working capital and other requirements, management's expectations regarding the ability to raise equity, sources and use of funds, economic life of the Company's assets, expected length of existing contracts and future growth and profitability of the Company. With respect to the forward-looking statements in this MD&A, Black Diamond has made assumptions regarding, among other things: future commodity prices, the future interest rate environment, that Black Diamond will continue to raise sufficient capital to fund its business plans in a manner consistent with past operations, timing and cost estimates of a new ERP system, that counterparties to contracts will perform the contracts as written and that there will be no unforeseen material delays in contracted projects. Although Black Diamond believes that the expectations reflected in the forward-looking statements contained in this MD&A, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurances that such expectations or assumptions will prove to be correct. Readers are cautioned that assumptions used in the preparation of such statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of Black Diamond. These risks include, but are not limited to: the volatility of industry conditions, dependence on agreements and contracts, competition, credit risk, information technology systems and cyber security, vulnerability to market changes, operating risks and insurance, weakness in industrial construction and infrastructure developments, weakness in natural resource industries, access to additional financing, dependence on suppliers and manufacturers, reliance on key personnel, workforce availability, market price of common shares, safety performance, expansion into new activities, government regulation, failure to realize anticipated benefits of acquisitions and dispositions, inflationary price pressure, environmental liability, environmental regulation of the Company's customers, environmental disasters, Indigenous relationships, dilution, disease outbreaks, variations in foreign exchange rates and interest rates, foreign operations, dependence on operating permits, dependence on operating permits, maturity of credit facility, management of growth, seasonality in certain customer markets, litigation, potential replacement or reduced use of products and services, income taxes, conflicts of interest, restrictive covenants and leverage, and forward-looking information may prove inaccurate. The risks outlined above should not be construed as exhaustive. Additional information on these and other factors that could affect Black Diamond's operations and financial results are included

in Black Diamond's annual information form for the year ended December 31, 2024 and other reports on file with the Canadian securities regulatory authorities which can be accessed on Black Diamond's profile on SEDAR+. Readers are cautioned not to place undue reliance on these forward-looking statements. Furthermore, the forward-looking statements contained in this MD&A are made as at the date of this MD&A and Black Diamond does not undertake any obligation to update or revise any of the forward-looking statements, except as may be required by applicable securities laws.

INVESTOR INFORMATION SERVICES

To subscribe to Black Diamond's investor news alerts please go to <https://www.blackdiamondgroup.com/investor-centre/news-alerts-subscription/>

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EXECUTIVE SUMMARY

Key Highlights from the Quarter

- Profit for the Quarter of \$9.3 million increased 19% from the Comparative Quarter.
- Consolidated rental revenue of \$38.5 million increased 7% as compared to the Comparative Quarter.
- The Company's consolidated contracted future rental revenue at the end of the Quarter was \$159.4 million, up \$23.0 million or 17% from the Comparative Quarter.
- Adjusted EBITDA¹ of \$37.2 million was up 43% from the Comparative Quarter.
- Return on Assets¹ of 25.2% improved 710 basis points from the Comparative Quarter and continues to represent an attractive return profile given the long-life and low maintenance characteristics of the Company's rental assets.
- Modular Space Solutions ("MSS") rental revenue of \$25.9 million was another record and increased 18% from \$22.0 million in the Comparative Quarter. MSS value-added products and services ("VAPS") revenue for the Quarter of \$2.0 million was up 18% from the Comparative Quarter, driving VAPS as a % of Rental Revenue¹ of 8.2%.
- Workforce Solutions ("WFS") revenue of \$59.9 million increased 16% from the Comparative Quarter.
- LodgeLink total room nights sold increased 23% from the Comparative Quarter, resulting in a fourth quarter record of 125,022.
- Funds from Operations¹ of \$44.1 million and Free Cashflow¹ of \$32.7 million for the Quarter were up 47% and 60%, respectively, from the Comparative Quarter.
- Subsequent to the end of the Quarter, the Company reached an agreement with its lenders to extend and amend its asset-based revolving credit facility ("ABL Facility"), increasing the maximum revolving line to \$425 million while also providing advance rates against categories of rental assets that were previously excluded from the borrowing base. The maturity date was extended to February 20, 2030 and all other material terms remained the same.
- Subsequent to the end of the Quarter, the Company declared a first quarter dividend of \$0.035 payable on or about April 15, 2025 to shareholders of record on March 31, 2025.

¹Adjusted EBITDA, Funds from Operations and Free Cashflow are non-GAAP financial measures. Return on Assets and VAPS as a % of Rental Revenue are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Key Highlights from 2024

- Consolidated revenue of \$403.0 million and Adjusted EBITDA² of \$113.3 million for the Year were up 2% and 6% from the Prior Year, respectively.
- Consolidated rental revenue of \$146.8 million was up 1% from the Prior Year despite the conclusion of several large projects that positively impacted Prior Year rental revenue performance.
- Total capital expenditures for the Year of \$109.2 million was up 58% compared to the Prior Year. The vast majority of this capital was directed towards growth initiatives that drove ongoing rental revenue growth and contributed to record contracted future rental revenue of \$159.4 million, up 17% from the Prior Year.
- MSS generated record rental revenue of \$94.1 million, up 10% from the Prior Year.
- WFS total revenue was \$179.0 million compared to the Prior Year total revenue of \$186.8 million. WFS segment performance remained relatively consistent despite the conclusion of two large pipeline projects in the Prior Year.
- LodgeLink continued to scale and generated record net revenue of \$11.4 million, up 16% from the Prior Year. Gross Bookings² of \$94.8 million was up 21% from the Prior Year while total room nights sold for the Year were up 23% from the Prior Year to a record of 517,382.
- Long-term debt and Net Debt² were \$235.7 million and \$223.6 million, respectively, at the end of the Year. Net Debt to trailing twelve months ("TTM") Adjusted Leverage EBITDA² of 2.0x is at the low end of the Company's target range of 2.0x to 3.0x while available liquidity (prior to the recent expansion of the ABL Facility) was \$103.1 million at the end of the Year.
- Since re-instating the dividend in 2021, the Company has announced four dividend increases, with the most recent occurring in the Quarter. In the Year, Black Diamond returned \$7.3 million to shareholders in the form of dividends and repurchased an aggregate of \$6.2 million of shares, inclusive of in-trust share purchases and the Company's normal course issuer bid.

²Adjusted EBITDA, Gross Bookings and Net Debt are non-GAAP financial measures. Net Debt to TTM Adjusted Leverage EBITDA is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

OUTLOOK

Management is pleased with the year-over-year growth and performance in 2024 relative to the strong performance in the Prior Year driven by two large pipeline contracts. The outlook into 2025 is similarly strong and the business remains well positioned, with over \$159.4 million of contracted future rental revenue, up 17% year-over-year. Growing contracted future rental revenue was driven by stable rental performance from the Company's existing rental fleet as well as from disciplined growth initiatives throughout the Year, with \$109.2 million of gross capital expenditures as well as ongoing contract renewals at higher average rates.

The Company continues to see supportive macro tailwinds in multiple end-markets including education, larger general infrastructure projects and resource development in North America and Australia. Our focus remains on growing high margin, recurring rental revenue while reinvesting organically generated cash flows to further compound shareholder returns. Management expects that for 2025, on an annualized basis, the Company will continue to reinvest a similar proportion of its Free Cashflow³ as compared to 2024.

MSS generated record rental revenue of \$25.9 million in the Quarter, up 18% from the Comparative Quarter, driven by higher rental rates and ongoing organic fleet investment. Utilization levels on average remain healthy across the platform. MSS contracted future rental revenue continues to grow and ended the Quarter at \$128.7 million, up 26% or \$26.9 million from the Comparative Quarter, with an average rental duration of 51 months. MSS sales revenue also increased 95% from the Comparative Quarter, and was up meaningfully from the first half of 2024 as previously delayed projects reached completion. Given the strong contracted backlog in place as a result of prudent capital investments throughout the Year, combined with continued momentum across the MSS platform, management believes the MSS segment is well positioned for continued compounding growth into 2025 and beyond.

For the Year, WFS performance was modestly below the Prior Year with revenue and Adjusted EBITDA³ down 4% and 2%, respectively, as the business continued to absorb the impact of major project completions. For the Quarter, WFS revenue and Adjusted EBITDA³ were up 16% and 12%, respectively, primarily due to an increase in sales revenue driven by the sale of used fleet and custom fleet assets to long term mining projects. WFS continues to deliver strong returns, generating a Return on Assets³ of 38% for the Year. Management remains focused on driving a recovery in rental revenue through increased utilization across our WFS geographies amidst a higher rate environment. The WFS sales pipeline and opportunity set also remain strong, backstopped by \$30.7 million of contracted future rental revenue.

LodgeLink continued its positive growth in 2024, with record Gross Bookings³ and net revenue for the Year up 21% and 16% to \$94.8 million and \$11.4 million, respectively. Gross Bookings³ grew 11% from the Comparative Quarter to \$21.7 million, while net revenue was down 4% from the Comparative Quarter to \$2.5 million. The Company has accelerated its investment in product development which will support LodgeLink's ongoing growth trajectory while further differentiating the platform's value proposition in the workforce travel ecosystem.

The Company's ongoing ERP upgrade project for Black Diamond's MSS and Corporate and Other segments remains on track and on budget with approximately \$10.5 million remaining from the initial implementation budget of \$11.9 million. Implementation began in Q4 2024 and is anticipated to be completed with go-live in the first half of 2026. The ERP upgrade is expected to further enhance operational efficiency and support the long-term growth objectives of Black Diamond.

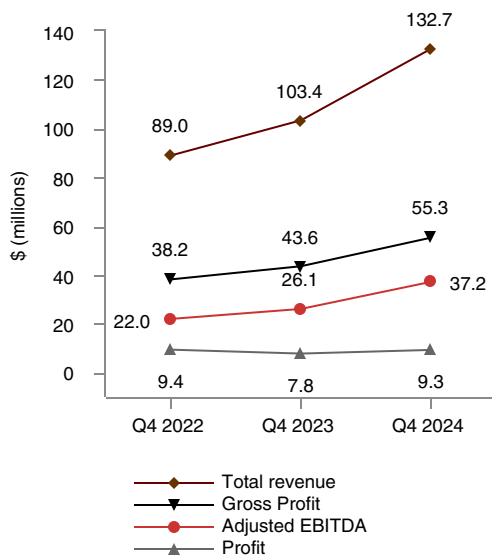
³Free Cashflow, Adjusted EBITDA and Gross Bookings are non-GAAP financial measures. Return on Assets is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

FINANCIAL REVIEW

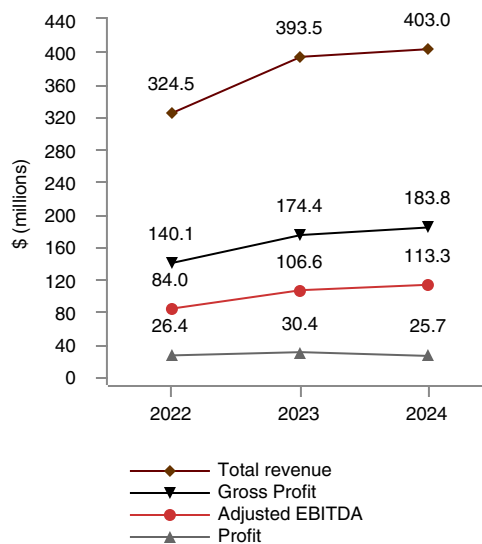
- Revenue for the Quarter was \$132.7 million, up 28% or \$29.3 million from the Comparative Quarter. This growth was primarily driven by a 126% increase in sales revenue due to higher custom and used fleet sales, and a 60% increase in lodge services revenue due to increased occupancy and rates.
- Adjusted EBITDA⁴ for the Quarter was \$37.2 million, up 43% or \$11.1 million from the Comparative Quarter primarily due to increases in sales, lodge services and rental revenue, partially offset by increased direct costs and administrative expenses.
- Excluded from Adjusted EBITDA⁴ are non-recurring items related to ERP implementation and related costs of \$1.4 million, down from \$1.5 million in the Comparative Quarter.
- Administrative expenses rose \$0.3 million from the Comparative Quarter. However, administrative expenses as a percentage of revenue decreased 390 basis points from the Comparative Quarter.
- Profit for the Quarter was \$9.3 million, up 19% or \$1.5 million from the Comparative Quarter.
- The Company exited the Quarter with a Net Debt to TTM Adjusted Leverage EBITDA⁴ ratio of 2.0x (December 31, 2023 - 1.7x).

⁴Adjusted EBITDA is a non-GAAP financial measure. Net Debt to TTM Adjusted Leverage EBITDA is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

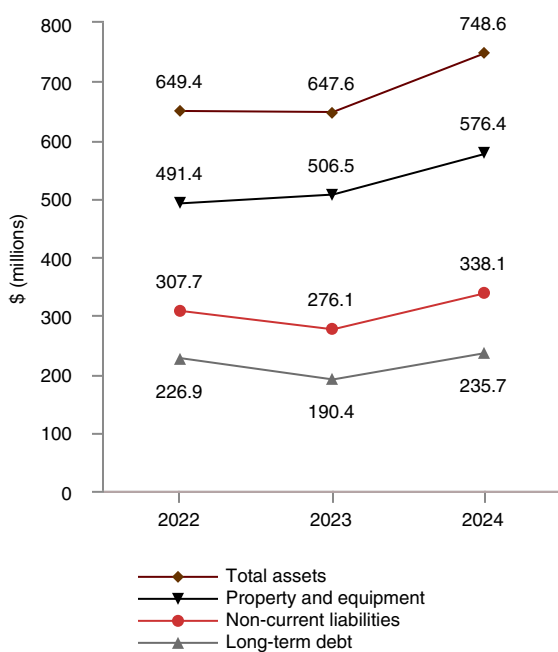
Three Months Ended December 31, Financial Highlights



Twelve Months Ended December 31, Financial Highlights



As at December 31, Financial Highlights

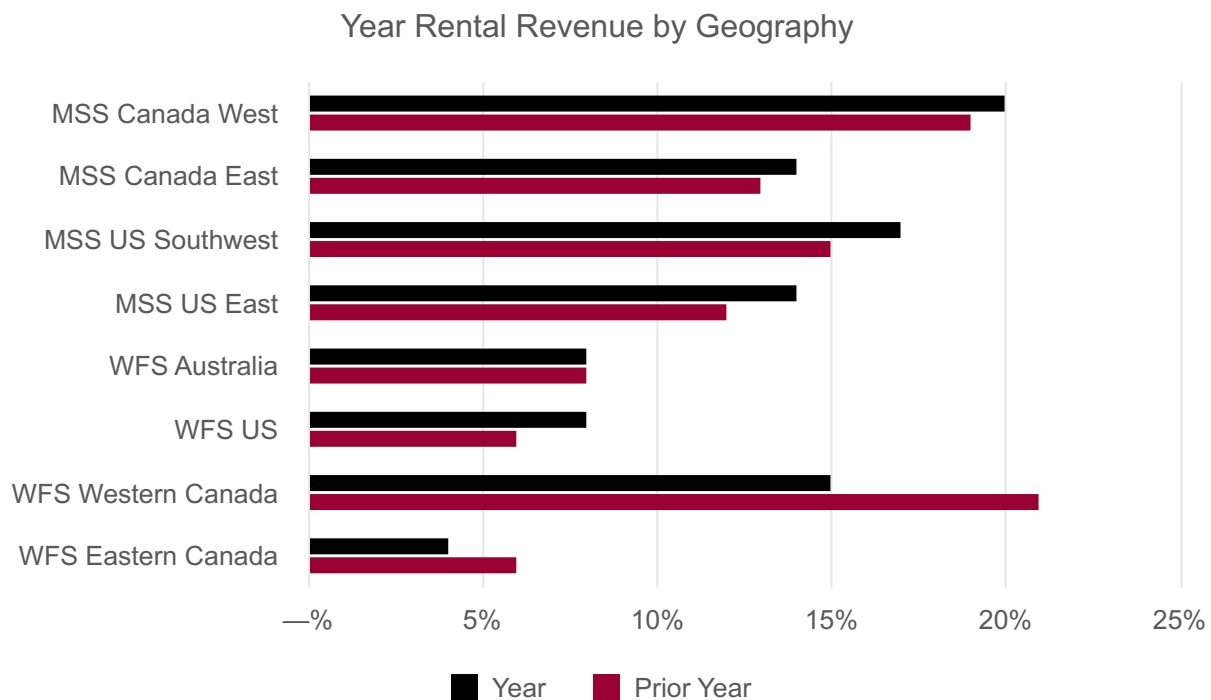
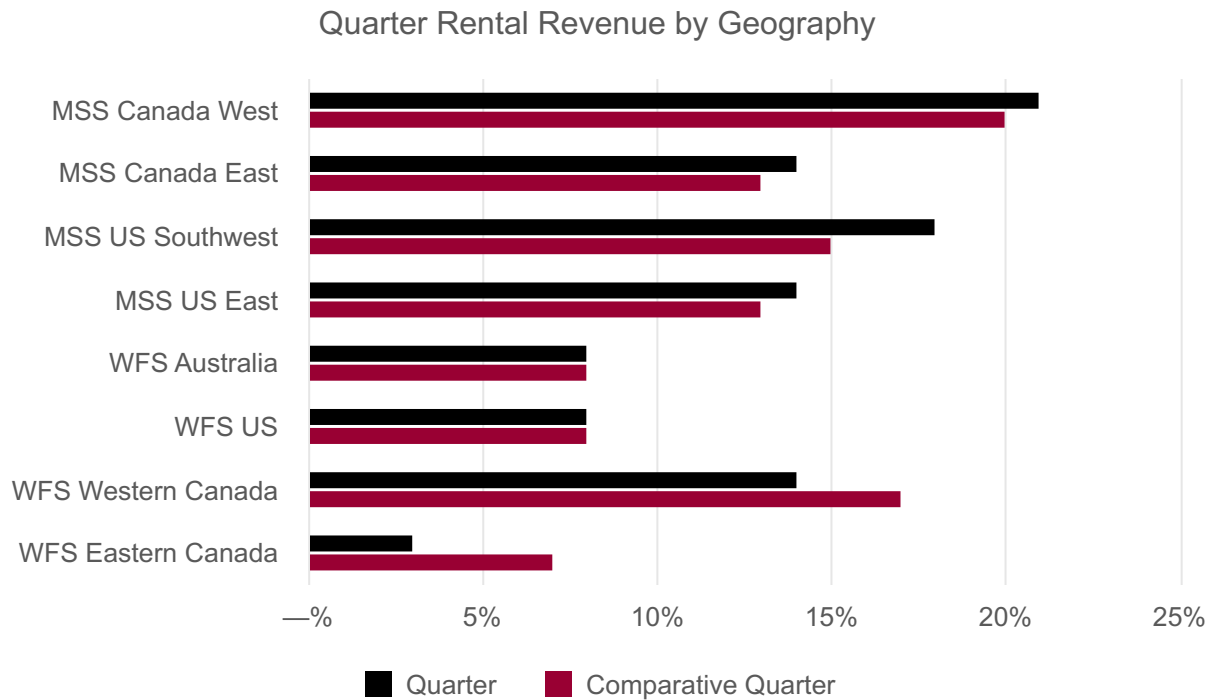


⁵Adjusted EBITDA is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Geographic Revenue Segmentation

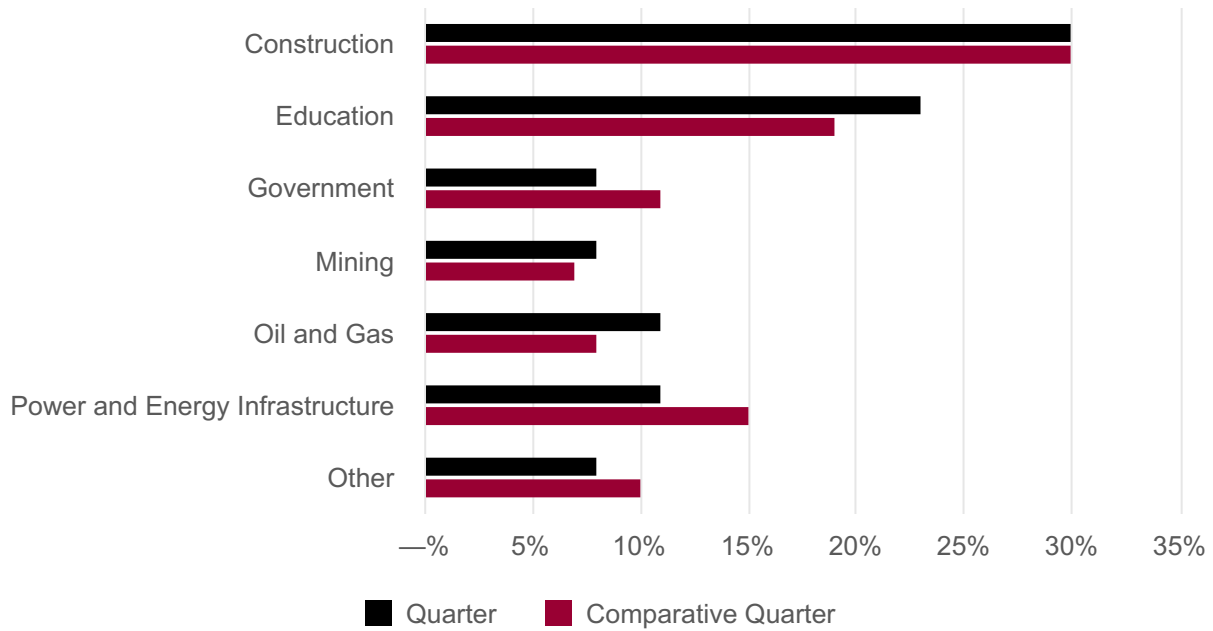
	Three months ended December 31,			Twelve months ended December 31,		
(\$ millions, except as noted)	2024	2023	Change	2024	2023	Change
Revenue						
Canada	72.7	54.7	33%	215.8	205.1	5%
United States	49.4	36.3	36%	156.0	147.1	6%
Australia	10.6	12.4	(15)%	31.2	41.3	(24)%
Total	132.7	103.4	28%	403.0	393.5	2%

	Three months ended December 31,			Twelve months ended December 31,		
Percentage of total revenue	2024	2023	Change	2024	2023	Change
Revenue						
Canada	54.8%	52.9%	190 bps	53.6%	52.1%	150 bps
United States	37.2%	35.1%	210 bps	38.7%	37.4%	130 bps
Australia	8.0%	12.0%	(400) bps	7.7%	10.5%	(280) bps
Total	100.0%	100.0%	—	100.0%	100.0%	—

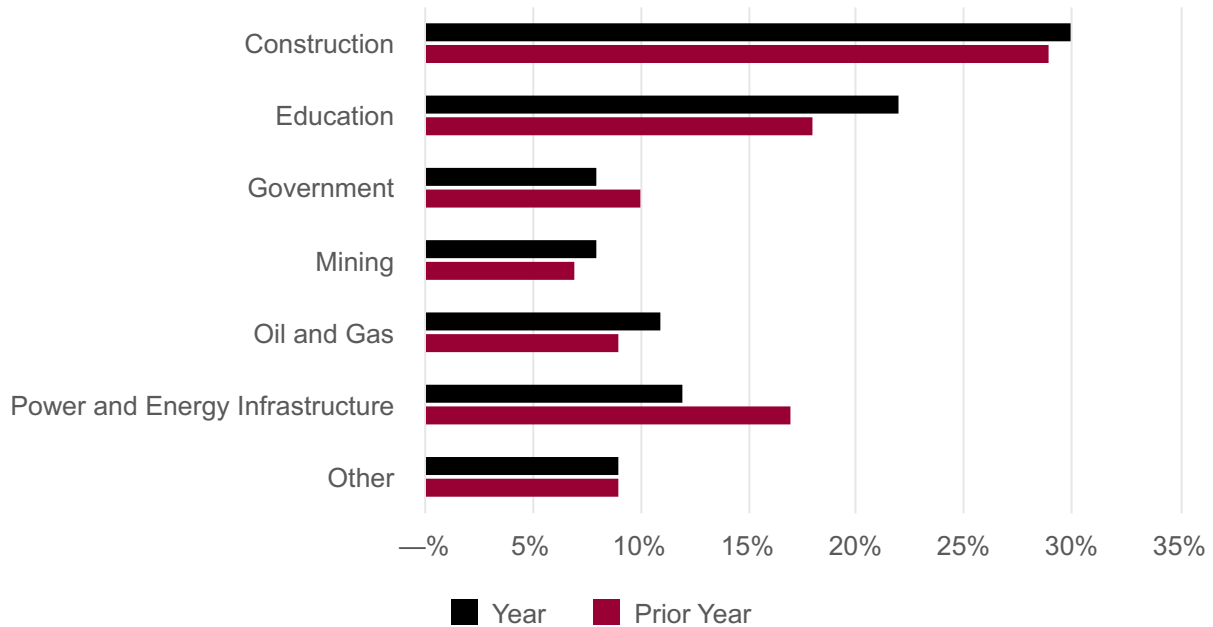


Rental revenue continues to balance more evenly across the operating regions, providing increasing geographic diversification. Significant projects in WFS Western Canada were completed late in 2023.

Quarter Rental Revenue by Industry



Year Rental Revenue by Industry



Rental revenue saw a decrease in the power and energy infrastructure industry segment as significant projects were completed in late 2023. The education industry segment saw an increase in new projects and to the classroom fleet in 2024.

Capital Plan

Net Capital Expenditures is a non-GAAP financial measure which is calculated as total capital expenditures less revenue from used fleet sales. A reconciliation to total capital expenditures, the most comparable GAAP financial measure, is provided below. Management believes this non-GAAP financial measure is an important supplemental measure as it emphasizes cash used or generated on fleet purchases and disposals relating to the net change in property and equipment and intangible assets.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
(\$ millions, except as noted)	\$	\$	%	\$	\$	%
Total capital expenditures	14.7	13.9	6%	109.2	69.1	58%
Used fleet sales revenue	16.4	8.8	86%	35.0	22.5	56%
Net Capital Expenditures	(1.7)	5.1	(133)%	74.2	46.6	59%
Maintenance capital	3.3	2.2	50%	12.6	8.3	52%
Capital commitments	30.6	31.3	(2)%	30.6	31.3	(2)%

Black Diamond markets its fleet of assets to customers primarily on a rental basis. However, occasionally a customer has preference for ownership when they have a longer-term need for the asset. In these circumstances, Black Diamond sells assets out of its fleet in the ordinary course of servicing its customers. This is a profitable business line for the Company and also helps the Company replenish its fleet with newer assets to maintain a relatively newer average age of the fleet.

The Company's total capital expenditures increased by \$0.8 million, or 6% compared to the Comparative Quarter due to the increase in the Company's investment related to contracted and project specific organic fleet growth in the Quarter. The total capital expenditures in the Year include an acquisition of 329 space rentals unit fleet purchased for \$20.5 million.

WHO WE ARE

Black Diamond is a specialty rentals and industrial services company with two operating business units - MSS and WFS. We operate in Canada, the United States, and Australia.

MSS through its principal brands, BOXX Modular, CLM, MPA Systems, and Schiavi, owns a large rental fleet of modular buildings of various types and sizes. Its network of local branches rent, sell, service, and provide ancillary products and services to a diverse customer base in the construction, industrial, education, financial, and government sectors.

WFS owns a large rental fleet of modular accommodation assets of various types. Its regional operating terminals rent, sell, service, and provide ancillary products and services including turnkey operated camps to a wide array of customers in the resource, infrastructure, construction, disaster recovery, and education sectors.

In addition, WFS includes LodgeLink, which operates a digital marketplace for business-to-business crew accommodation, travel, and logistics in North America. The LodgeLink proprietary digital platform enables customers to efficiently find, book, and manage their crew travel and accommodation needs through a rapidly growing network of hotel, remote lodge, and travel partners. LodgeLink exists to solve the unique challenges associated with crew travel and applies technology to eliminate inefficiencies at every step of the crew travel process from booking, to management, to payments, to cost reporting.

Our head office is located at Suite 1000, 440 - 2nd Avenue S.W., Calgary, Alberta, Canada T2P 5E9.

BLACK DIAMOND'S STRATEGY

At its core, Black Diamond is a business-to-business renter of specialized equipment. Our team's extensive experience within the rental categories in which we operate, and our expertise in managing the logistics and supply chain for these assets, enable us to deliver higher returns on capital while also helping our clients meet their project objectives.

Our management team has built a business platform designed to weather downturns through a prudent approach to capital allocation, risk management, business diversification and asset management.

Asset Management

Since 2003, we have built a large rental fleet that consists primarily of remote workforce accommodation, space rental and surface rental assets. These assets generally maintain their value over their relatively long lives and require very little maintenance capital. To ensure we are managing our assets (and capital) efficiently, we set return targets for our assets based on their net book value. This creates discipline around the aging of our rental fleet, encouraging managers to regularly sell older, less economic rental assets on the secondary market. Through all parts of the market cycle, we have been able to sell our used fleet assets for more than their book value and this is recorded as sales revenue, with the book value of the asset recorded as a non-cash item in our consolidated statement of cash flows.

Integrated Revenue Model

In addition to owning specialty rental assets, Black Diamond provides the support services for these assets including transportation, installation, catering, power, water, waste management, security, and housekeeping through subcontracted third-party service providers. In doing so, we maximize the return on our assets while mitigating the overhead risks associated with performing these services ourselves.

This model also provides our clients with increased options and flexibility and creates constructive pricing tension among our subcontractors that ensures we achieve competitive pricing for our customers.

Business Diversification

We have actively worked to diversify Black Diamond's business with respect to geographies, the types of assets and services offered, and variety of customers and industries served. Our entries into Australia and the U.S. in previous years, as well as our North American MSS expansions and growth of the LodgeLink technology platform were predicated on the fundamental belief that this diversification strategy can help mitigate volatility during a downturn in any one geography, customer end market, or asset class.

Capital Allocation

We are focused on achieving industry leading returns on the capital we deploy. Our approach is to own quality rental assets and, through strategic sales and disciplined management, realize a target return on capital invested in these rental assets through rental revenue, and the sale of associated services.

Achieving this is only possible through focus, efficiency and effective third-party contracting. This means that we outsource functions that are not core to Black Diamond's expertise or where the capital risk is deemed too high such as manufacturing, construction, catering, camp services, and any other functions that, while lucrative in a strong economy, might represent significant downside risk through the troughs of economic cycles.

Health and Safety

The objective of our health and safety program is to achieve zero incidents and injuries and to adhere to global best practices for workplace health and safety.

By working closely with stakeholders across all aspects of the health and safety program we ensure the safety of our employees and our clients' operations, reducing the burden of injuries and incidents and enhancing the financial performance of Black Diamond.

Risk Management

Through careful selection and contracting with Black Diamond's counterparties, our management team strives to share risk appropriately and promote mutually beneficial outcomes with both vendors and customers. Where capital is being deployed, our preference is to tie that capital to a long-term customer commitment. Doing so allows us to offer our customers lower rates in return for the certainty of increased asset utilization. This helps us attain our targeted return on capital, and our customers achieve price certainty relative to spot rates for rental assets.

SELECTED FINANCIAL INFORMATION

The following is a summary of selected financial and operating information that has been derived from, and should be read in conjunction with, the audited consolidated financial statements of Black Diamond for the three and twelve months ended December 31, 2024 and 2023.

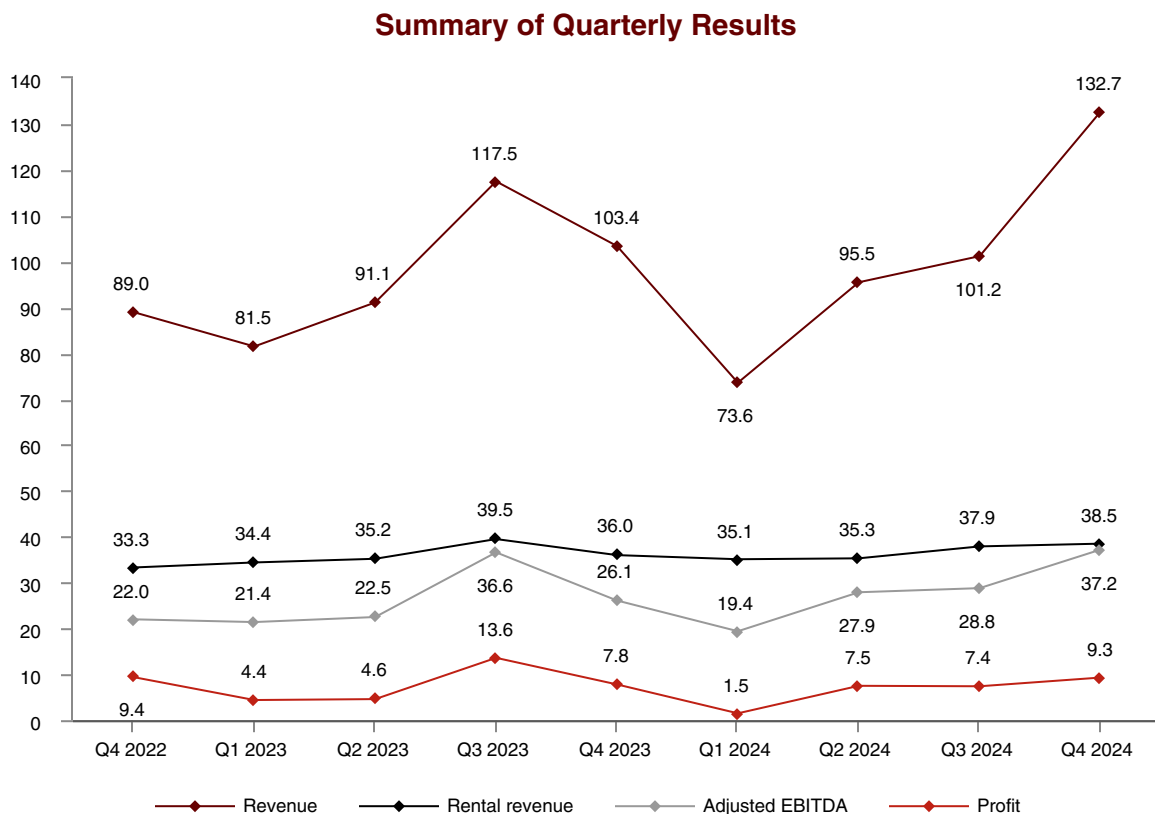
(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Financial Highlights	\$	\$	%	\$	\$	%
Total revenue	132.7	103.4	28%	403.0	393.5	2%
Gross profit	55.3	43.6	27%	183.8	174.4	5%
Administrative expenses	19.4	19.1	2%	74.4	69.3	7%
Adjusted EBITDA ⁽⁶⁾	37.2	26.1	43%	113.3	106.6	6%
Adjusted EBIT ⁽⁶⁾	22.6	14.9	52%	64.3	62.4	3%
Funds from Operations ⁽⁶⁾	44.1	30.1	47%	124.6	116.8	7%
Per share (\$)	0.72	0.50	44%	2.04	1.94	5%
Profit before income taxes	16.2	8.6	88%	38.8	40.6	(4)%
Profit	9.3	7.8	19%	25.7	30.4	(15)%
Earnings per share - Basic (\$)	0.16	0.13	23%	0.42	0.50	(16)%
Earnings per share - Diluted (\$)	0.15	0.13	15%	0.41	0.49	(16)%
Capital expenditures	14.7	13.9	6%	109.2	69.1	58%
Property and equipment	576.4	506.5	14%	576.4	506.5	14%
Total assets	748.6	647.6	16%	748.6	647.6	16%
Long-term debt	235.7	190.4	24%	235.7	190.4	24%
Cash and cash equivalents	13.3	6.5	105%	13.3	6.5	105%
Return on Assets (%) ⁽⁶⁾	25.2%	18.1%	710 bps	20.1%	19.6%	50 bps
Free Cashflow ⁽⁶⁾	32.7	20.5	60%	79.9	81.3	(2)%

Margin Summary	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
(Percent of revenue)						
Gross profit	41.7%	42.2%	(50) bps	45.6%	44.3%	130 bps
Administrative expenses	14.6%	18.5%	(390) bps	18.5%	17.6%	90 bps
Adjusted EBITDA ⁽⁶⁾	28.0%	25.2%	280 bps	28.1%	27.1%	100 bps

⁽⁶⁾Adjusted EBITDA, Adjusted EBIT, Funds from Operations and Free Cashflow are non-GAAP financial measures. Return on Assets is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the previous nine quarters:



In Q1 2023, revenue, Adjusted EBITDA⁷ and profit decreased compared to Q4 2022 due to decreased non-rental, sales and lodge services revenue in the quarter. In addition, profit was negatively impacted by a \$1.2 million increase in depreciation and amortization due to an impairment reversal in Q4 2022, as well as a \$0.9 million increase in share-based compensation.

In Q2 2023, revenue, Adjusted EBITDA⁷ and profit increased compared to Q1 2023 due to increased rental, non-rental, lodge services and sales revenue. The increase in profit was negatively impacted by higher administrative expenses, finance costs and depreciation and amortization, partially offset by lower share-based compensation expense in the quarter.

In Q3 2023, revenue, Adjusted EBITDA⁷ and profit increased compared to Q2 2023 due to increased rental revenue, non-rental revenue, and sales revenue, partially offset by higher administrative expenses and finance costs.

In Q4 2023, revenue, Adjusted EBITDA⁷ and profit decreased compared to Q3 2023 due to a decrease in lodge services revenue and rental revenue, as well as higher administrative expenses.

⁷Adjusted EBITDA is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure.

In Q1 2024, revenue, Adjusted EBITDA⁸ and profit decreased compared to Q4 2023 due to a decrease in sales revenue, non-rental revenue and lodge services revenue, as well as higher administrative expenses.

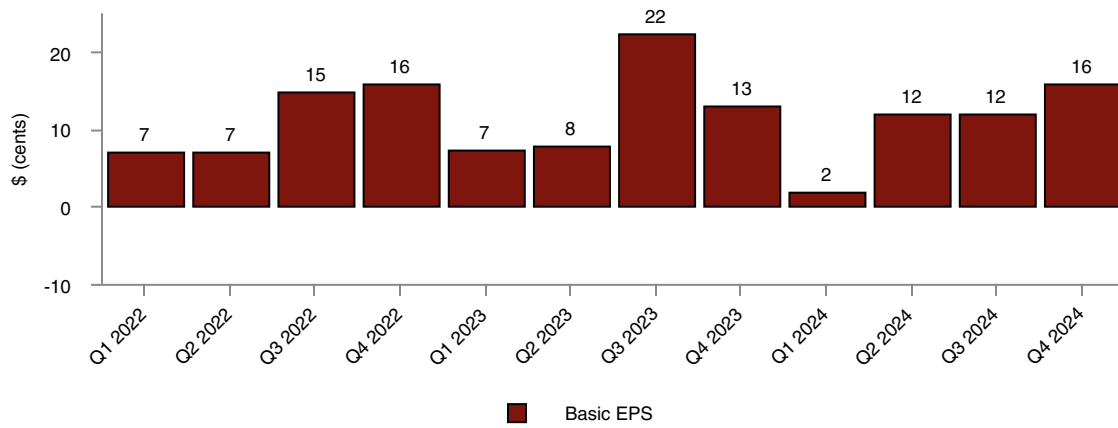
In Q2 2024, revenue, Adjusted EBITDA⁸ and profit increased compared to Q1 2024 due to an increase in sales, non-rental and lodge services revenue combined with a higher gross profit, offset by an increase in administrative expenses and deferred income taxes.

In Q3 2024, revenue and Adjusted EBITDA⁸ increased compared to Q2 2024 due to an increase in rental and non-rental revenue and lower administrative expenses. This was partially offset by higher depreciation and amortization and finance costs, resulting in a slight decline in profit for the quarter.

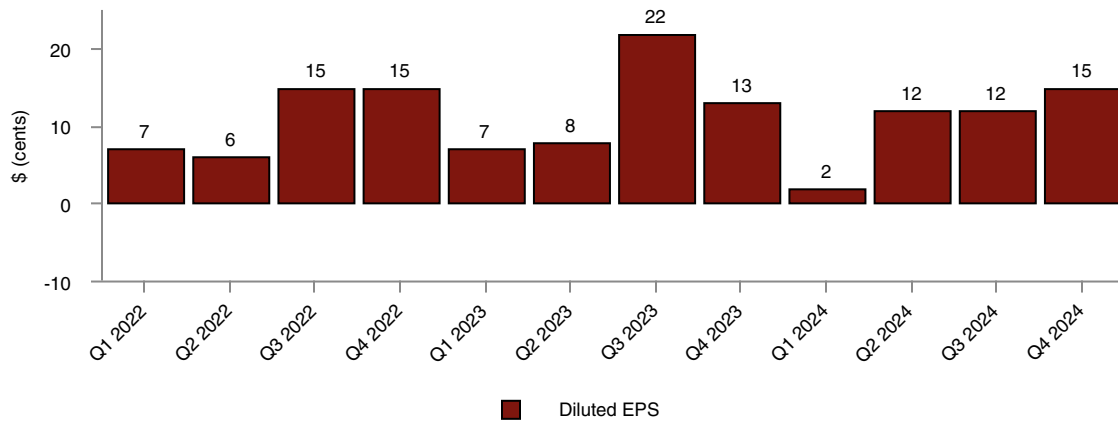
In the Quarter, revenue, Adjusted EBITDA⁸ and profit increased compared to Q3 2024 due to an increase in sales, lodge services and rental revenue with a higher gross profit. This was offset by higher direct costs, depreciation and amortization, and administrative expenses due to higher ERP implementation and related costs.

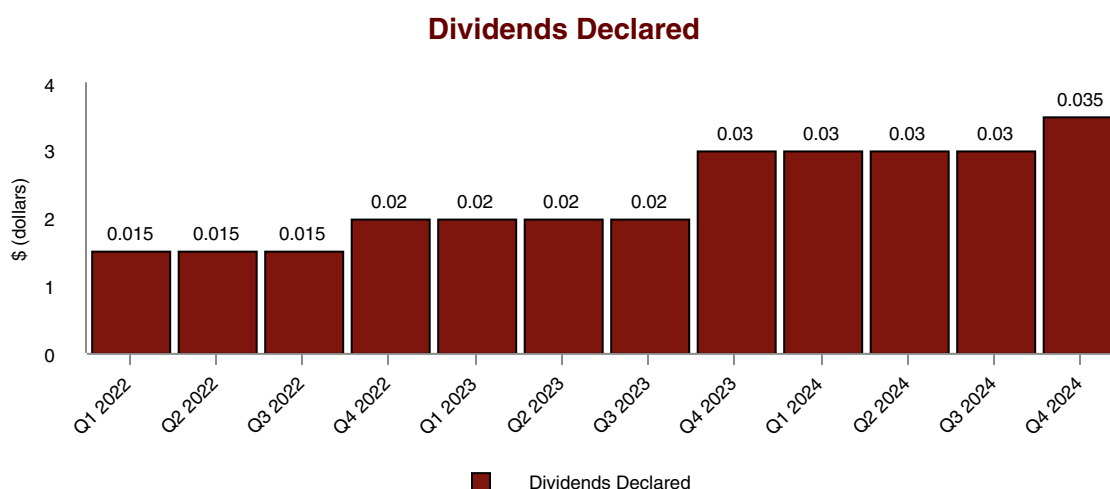
⁸Adjusted EBITDA is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure.

Basic Earnings Per Share



Diluted Earnings Per Share





In Q1 2022, the Company increased its annual dividend per share payout by 20% from \$0.05 to \$0.06 and paid quarterly dividends of \$0.015 per share in each of the first quarter, second quarter and third quarter.

In Q4 2022, the Company increased its annual dividend per share payout by 33% from \$0.06 to \$0.08 and subsequently paid a fourth quarter dividend of \$0.02 per share.

In each of the first, second and third quarters of 2023, the Company declared and subsequently paid quarterly dividends on its common shares in the amount of \$0.02 per share.

In Q4 2023, the Company increased its annual dividend per share payout by 50% from \$0.08 to \$0.12 and declared and subsequently paid a fourth quarter dividend on its common shares in the amount of \$0.03 per share.

In each of the first, second and third quarters of 2024, the Company declared and subsequently paid quarterly dividends on its common shares in the amount of \$0.03 per share.

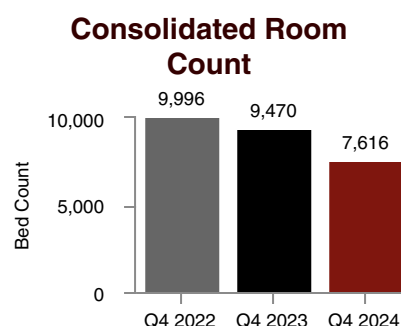
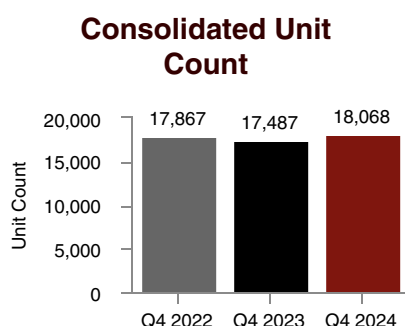
In the Quarter, the Company increased its annual dividend per share payout by 17% from \$0.12 to \$0.14 and declared and subsequently paid a fourth quarter dividend on its common shares of \$0.035 per share.

All dividends paid and declared are designated as “eligible dividends” for Canadian income tax purposes.

CONSOLIDATED FINANCIAL AND OPERATIONAL REVIEW

Consolidated Fleet

The consolidated number of rental units in Black Diamond's global fleet increased to 18,068 units at the end of the Year compared with 17,487 at the end of the Prior Year due to an increase of 920 units in MSS as a result of the addition of 1,333 new units, of which 329 space rental units were acquired as part of the asset purchase on June 28, 2024, partially offset by the disposal of 413 MSS units and a decrease of 339 units in WFS which includes used fleet sales and a write-off of 179 used fleet units. Consolidated unit count includes accommodation units, modular space rental units and surface rental units. Consolidated room count in Black Diamond's global fleet decreased to 7,616 rooms in the Year compared with 9,470 rooms in the Prior Year due to used fleet sales in WFS.



Fleet Utilization Rates

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Modular Space Solutions	82.4%	83.2%	(80) bps	81.3%	83.5%	(220) bps
Workforce Solutions	60.6%	60.3%	30 bps	63.1%	68.6%	(550) bps
Consolidated	76.8%	76.4%	40 bps	76.3%	79.0%	(270) bps

Black Diamond measures utilization on the basis of the net book value of assets on rent divided by the net book value of the business unit's total fleet assets.

Q4 2024 vs Q4 2023

Utilization for MSS was 82.4%, down 80 basis points from the Comparative Quarter but remains healthy relative to long term industry trends. The increase in utilization in WFS from 60.3% to 60.6% is relatively consistent with the Comparative Quarter.

Year to Date 2024 vs 2023

Utilization for MSS was 81.3%, down 220 basis points from the Prior Year but remains healthy relative to long term industry trends. The decrease in utilization in WFS from 68.6% to 63.1% is due to lower utilization in Canada and Australia, partially offset by higher average rates in all regions and higher utilization in the U.S.

Revenue

Black Diamond's revenue is broken out into four categories: rental, sales, non-rental and lodge services.

Rental Revenue is associated with the rental of Black Diamond's owned assets to customers. Rental revenue carries the highest margin of the Company's revenue.

Sales Revenue is derived from the sale of both new and used fleet assets, including modular space, workforce accommodations, wellsite accommodations and surface equipment assets.

Non-Rental Revenue is derived from a number of services that are typically associated with the rental or sale of the Company's modular space or workforce assets, including the delivery, installation, pickup, dismantling of assets, sublease equipment, maintenance and catering services. The services offered are often required to support the deployment and remobilization of these assets. Also included in non-rental revenue is the revenue earned on bookings at third-party lodges and hotels through LodgeLink.

Lodge Services Revenue is generated from the provision of full turnkey lodge services provided to customers. The rooms in our lodge services fleet are marketed to individual customers at man day rates through LodgeLink or are contracted with customers for specific rates and/or number of man days. A man day is defined as one overnight stay in one room at a lodge and is used in calculating occupancy.

	Three months ended December 31,			Twelve months ended December 31,		
(\$ millions, except as noted)	2024	2023	Change	2024	2023	Change
Rental revenue	38.5	36.0	7%	146.8	145.0	1%
Sales revenue	53.2	23.5	126%	105.3	80.3	31%
Non-rental revenue	30.9	37.6	(18)%	116.6	129.1	(10)%
Lodge services revenue	10.1	6.3	60%	34.3	39.1	(12)%
Total revenue	132.7	103.4	28%	403.0	393.5	2%

	Three months ended December 31,			Twelve months ended December 31,		
Percentage of consolidated revenue	2024	2023	Change	2024	2023	Change
Rental revenue	29.0%	34.8%	(580) bps	36.4%	36.9%	(50) bps
Sales revenue	40.1%	22.7%	1,740 bps	26.1%	20.4%	570 bps
Non-rental revenue	23.3%	36.4%	(1,310) bps	28.9%	32.8%	(390) bps
Lodge services revenue	7.6%	6.1%	150 bps	8.5%	9.9%	(140) bps

Q4 2024 vs Q4 2023

Rental revenue for the Quarter was \$38.5 million, up 7% or \$2.5 million from the Comparative Quarter, primarily driven by a \$3.9 million increase in MSS rental revenue due to improved average rental rates in all regions and an increase in the number of units for rent in all regions as a result of organic and inorganic growth capital expenditures. This was partially offset by a \$1.4 million decrease in WFS rental revenue due to lower utilization in all regions, as assets continue to be mobilized and redeployed from previously completed projects.

Sales revenue for the Quarter was \$53.2 million, up 126% or \$29.7 million from the Comparative Quarter driven by a \$15.8 million increase in WFS sales revenue primarily due to higher custom sales in all regions and higher used fleet sales in Canada and Australia, and a \$13.9 million increase in MSS sales revenue due to an increase in custom and used fleet sales.

Non-rental revenue for the Quarter was \$30.9 million, down 18% or \$6.7 million from the Comparative Quarter primarily due to a decline of \$10.0 million in WFS non-rental revenue resulting from a decrease in installation, dismantle and transportation revenue of significant projects in all regions, and sublease activity in Australia. This is partially offset by a \$3.3 million increase in MSS non-rental revenue from higher installation revenue.

Lodge services revenue for the Quarter was \$10.1 million, up 60% or \$3.8 million from the Comparative Quarter due to increased occupancy and rates.

Year to Date 2024 vs 2023

Rental revenue for the Year was \$146.8 million, up 1% or \$1.8 million from the Prior Year primarily due to an increase of \$8.7 million in MSS rental revenue with improved average rental rates and a larger fleet size, partially offset by a decrease of \$6.9 million in WFS rental revenue due to lower utilization in Canada and Australia.

Sales revenue for the Year was \$105.3 million, up 31% or \$25.0 million from the Prior Year primarily due to an increase of \$25.6 million in WFS sales revenue as a result of higher custom sales in all regions and higher used fleet sales in Canada and Australia.

Non-rental revenue for the Year was \$116.6 million, down 10% or \$12.5 million from the Prior Year primarily due to a \$21.7 million decrease in WFS non-rental revenue as a result of a decrease in installation and dismantle activities of significant projects in Canada and Australia, transportation activity in all regions and sublease and catering activity in Australia. This was partially offset by an increase of \$9.2 million in MSS non-rental revenue from higher installation revenue.

Lodge services revenue for the Year was \$34.3 million, down 12% or \$4.8 million from the Prior Year due to reduced occupancy as a result of some significant projects reaching completion in late 2023.

Direct Costs and Gross Profit

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Direct costs	77.4	59.8	29%	219.2	219.1	—%
Gross profit	55.3	43.6	27%	183.8	174.4	5%

Percentage of consolidated revenue	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Direct costs	58.3%	57.8%	50 bps	54.4%	55.7%	(130) bps
Gross Profit Margin ⁽⁹⁾	41.7%	42.2%	(50) bps	45.6%	44.3%	130 bps

Gross Profit Margin⁹ fluctuates depending on the mix between rental, sales, non-rental and lodge services revenue streams. Revenue streams ancillary to rental revenue generally realize lower gross margins than fleet rental margins.

⁹Gross Profit Margin is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure.

Direct costs related to rental revenue include labour, fuel, materials, freight, maintenance and servicing of rental units. Direct costs related to lodge services revenue include catering services, utilities costs, consumable materials and other services required to provide turnkey lodge services. From time to time, Black Diamond will sell used units from its fleet, rent equipment from third parties and re-rent the equipment, provide installation and render other services to customers. These activities are captured in sales and non-rental revenue. Direct costs related to non-rental and sales revenue include the net book value of used fleet units sold, the cost of units sub-leased from others and the cost of third parties in delivering some of these services.

Direct Costs (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
	\$	\$	%	\$	\$	%
Construction and transportation services	18.2	22.9	(21)%	66.3	76.0	(13)%
Custom sales	30.2	11.5	163%	56.6	44.5	27%
Catering, utilities and other consumable costs	6.1	5.1	20%	22.1	28.2	(22)%
Labour costs	5.2	5.2	—%	21.9	20.9	5%
Used fleet sales	9.3	5.5	69%	17.9	13.6	32%
Repairs and maintenance	4.0	6.3	(37)%	17.9	18.1	(1)%
Subleased equipment	3.2	2.3	39%	10.9	12.2	(11)%
Other direct costs	0.8	0.5	60%	3.7	3.6	3%
Fleet insurance	0.3	0.2	50%	1.1	1.0	10%
Rent expense - subleased properties	0.1	0.3	(67)%	0.8	1.0	(20)%
Total direct costs	77.4	59.8	29%	219.2	219.1	—%

Q4 2024 vs Q4 2023

Direct costs for the Quarter were \$77.4 million, up 29% or \$17.6 million from the Comparative Quarter due to increases in custom and used fleet sales, partially offset by decreases in construction and transportation services, and repairs and maintenance, which is in line with the changes in the related revenue streams.

Gross profit for the Quarter was \$55.3 million, up 27% or \$11.7 million from the Comparative Quarter primarily due to an increase in the margins on sales, rental and lodge services revenue, partially offset by a decrease in the margins on non-rental revenue.

Year to Date 2024 vs 2023

Direct costs for the Year were \$219.2 million, which is relatively consistent with the Prior Year.

Gross profit for the Year was \$183.8 million, up 5% or \$9.4 million from the Prior Year primarily due to increases in the margins on sales and rental revenue, partially offset by a decrease in the margins on lodge services and non-rental revenue.

Administrative Expenses

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Personnel costs	12.9	12.6	2%	51.1	48.5	5%
General administrative expenses	4.1	4.0	3%	15.0	15.3	(2)%
Occupancy and insurance	1.0	1.0	—%	4.3	4.0	8%
ERP implementation and related costs ⁽¹⁾	1.4	1.5	(7)%	4.0	1.5	167%
Total administrative expenses	19.4	19.1	2%	74.4	69.3	7%
<i>% of consolidated revenue</i>	14.6%	18.5%	(390) bps	18.5%	17.6%	90 bps

(1) ERP implementation and related costs for the year ended December 31, 2023 were included in general administrative expenses in the Prior Year.

General administrative expenses include costs related to professional services, information technology, travel and accommodation, advertising and promotions, office administration and communication, and subscriptions.

Q4 2024 vs Q4 2023

Total administrative expenses for the Quarter were \$19.4 million, up 2% or \$0.3 million from the Comparative Quarter.

The various components of Black Diamond's total administrative expenses are broken out below:

- Personnel costs for the Quarter were \$12.9 million, up 2% or \$0.3 million from the Comparative Quarter primarily due to an increase in salaries and wages tied to higher headcount in the Quarter. Headcount increased from the Comparative Quarter to support the increasing scale of the business.
- General administrative expenses for the Quarter were \$4.1 million, up 3% or \$0.1 million from the Comparative Quarter primarily due to an increase in professional fees, partially offset by decreases in travel and entertainment expense, and bad debt expense.
- Occupancy and insurance costs for the Quarter were \$1.0 million, which is consistent with the Comparative Quarter.
- ERP implementation and related costs for the Quarter were \$1.4 million, down 7% or \$0.1 million from the Comparative Quarter.

Year to Date 2024 vs 2023

Total administrative expenses for the Year were \$74.4 million, up 7% or \$5.1 million from the Prior Year.

The various components of Black Diamond's total administrative expenses are broken out below:

- Personnel costs for the Year were \$51.1 million, up 5% or \$2.6 million from the Prior Year primarily due to an increase in salaries and wages tied to higher headcount and sales incentives, partially offset by a decrease in profit incentives in the Year.
- General administrative expenses for the Year were \$15.0 million, down 2% or \$0.3 million from the Prior Year primarily due to decreases in travel and entertainment expenses, partially offset by increases in information technology costs.
- Occupancy and insurance costs for the Year were \$4.3 million, up 8% or \$0.3 million from the Prior Year.
- ERP implementation and related costs for the Year were \$4.0 million, up 167% from the Prior Year.

Adjusted EBITDA

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Adjusted EBITDA ⁽¹⁰⁾	37.2	26.1	43%	113.3	106.6	6%
Adjusted EBITDA as a % of Revenue ⁽¹⁰⁾	28.0%	25.2%	280 bps	28.1%	27.1%	100 bps

Adjusted EBITDA as a % of Revenue¹⁰ will fluctuate from period to period depending on the proportion of rental revenue compared to ancillary revenue streams such as sales, non-rental and lodge services which generally yield a lower Adjusted EBITDA as a % of Revenue¹⁰.

Q4 2024 vs Q4 2023

Adjusted EBITDA¹⁰ for the Quarter was \$37.2 million, up 43% or \$11.1 million from the Comparative Quarter primarily due to increases in sales, lodge services and rental revenue, partially offset by increased direct costs and administrative expenses. Adjusted EBITDA¹⁰ excludes \$1.4 million of non-recurring items related to ongoing ERP implementation and related costs in the Quarter. Adjusted EBITDA as a % of Revenue¹⁰ increased 280 basis points to 28.0% primarily as a result of higher margins on sales, rental and lodge services revenue, partially offset by lower margins on non-rental revenue.

Year to Date 2024 vs 2023

Adjusted EBITDA¹⁰ for the Year was \$113.3 million, up 6% or \$6.7 million from the Prior Year primarily due to increases in sales and rental revenue, offset by a decrease in non-rental and lodge services revenue and increased administrative expenses. Adjusted EBITDA¹⁰ excludes \$4.0 million of ongoing ERP implementation and related costs for the Year. Adjusted EBITDA as a % of Revenue¹⁰ increased 100 basis points, which is comparable to the Prior Year.

Depreciation and Amortization

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Depreciation and amortization	14.6	11.2	30%	49.0	44.2	11%

Q4 2024 vs Q4 2023

Depreciation and amortization for the Quarter was \$14.6 million, up 30% or \$3.4 million from the Comparative Quarter primarily due to a write-off of assets of \$2.1 million, and an increase in capital additions from the Comparative Quarter.

Year to Date 2024 vs 2023

Depreciation and amortization for the Year was \$49.0 million, up 11% or \$4.8 million from the Prior Year primarily due to fleet growth.

¹⁰Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA as a % of Revenue is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Finance Costs

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Finance costs	3.8	3.7	3%	15.3	14.1	9%
Long-term debt	235.7	190.4	24%	235.7	190.4	24%
Average interest rate ⁽¹⁾	5.36%	6.11%	(75) bps	5.96%	5.68%	28 bps

(1) Average interest rates do not include lease interest.

Q4 2024 vs Q4 2023

Finance costs for the Quarter were \$3.8 million, up 3% or \$0.1 million from the Comparative Quarter, primarily due to increased draws under the ABL Facility, partially offset by lower market interest rates, as well as adjustments to accretion expense as a result of changes in estimates and assets disposed impacting asset retirement obligations.

Year to Date 2024 vs 2023

Finance costs for the Year were \$15.3 million, up 9% or \$1.2 million from the Prior Year primarily due to increased draws under the ABL Facility and higher market interest rates.

Income Tax

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Current tax expense	0.9	0.1	800%	1.1	0.2	450%
Deferred tax expense	5.4	0.4	1,250%	10.4	8.9	17%
Total tax expense	6.3	0.5	1,160%	11.5	9.1	26%

Q4 2024 vs Q4 2023

For the Quarter, Black Diamond recognized income tax expense of \$6.3 million, an increase of \$5.8 million from the Comparative Quarter, which is primarily due to the return to provision adjustment made in the Quarter driven by changes in the timing of the reversal of temporary differences. This is slightly offset by the decrease in the blended Canadian statutory rate from 24.01% in 2023 to 23.85% in 2024 due to the apportionment of revenue and salaries across provincial jurisdictions. The tax provision has been calculated at the enacted tax rate of 24% in Canada, 25% in the U.S. and 30% in Australia.

Year to Date 2024 vs 2023

For the Year, Black Diamond recognized income tax expense of \$11.5 million, an increase of \$2.4 million from the Prior Year, which is primarily due to the return to provision adjustment made in the Year driven by changes in the timing of the reversal of temporary differences. This is slightly offset by the decrease in the blended Canadian statutory rate from 24.01% in 2023 to 23.85% in 2024 due to the apportionment of revenue and salaries across provincial jurisdictions. The tax provision has been calculated at the enacted tax rate of 24% in Canada, 25% in the U.S. and 30% in Australia.

Non-Controlling Interests

The non-controlling interests ("NCI") represent earnings attributable to the Fort Nelson First Nation's interest in the Black Diamond Dene Limited Partnership, the West Moberly First Nation's interest in the Black Diamond West Moberly Limited Partnership, the Beaver Lake Cree Nation's interest in the Black Diamond Nehiyawak Limited Partnership and the Whitecap Dakota First Nation's interest in Whitecap Black Diamond Limited Partnership.

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Non-controlling interests	0.5	0.3	67%	1.6	1.1	45%

Q4 2024 vs Q4 2023

The NCI for the Quarter was \$0.5 million, up 67% or \$0.2 million primarily due to an increase in profit earned through the limited partnerships.

Year to Date 2024 vs 2023

The NCI for the Year was \$1.6 million, up 45% or \$0.5 million from the Prior Year due to an increase in profit earned through the limited partnerships.

Profit

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Profit	9.3	7.8	19%	25.7	30.4	(15)%

Q4 2024 vs Q4 2023

Profit for the Quarter was \$9.3 million, an improvement of 19% or \$1.5 million from the Comparative Quarter primarily due to increases in revenue, partially offset by increases in direct costs, income taxes, and depreciation and amortization due to a write-off of assets of \$2.1 million.

Year to Date 2024 vs 2023

Profit for the Year was \$25.7 million, a decrease of 15% or \$4.7 million from the Prior Year primarily due to an increase in administrative expenses due to higher ERP implementation and related costs, and increases in depreciation and amortization, income taxes, and finance costs, partially offset by an increase in revenue.

SEGMENTED REVIEW OF FINANCIAL PERFORMANCE

The Company's senior management evaluates segment performance based on a variety of financial measures including Return on Assets¹¹, revenue, profit, operating expenses and Adjusted EBITDA¹¹.

The following is a summary of the Company's segmented results for the three and twelve months ended December 31, 2024 and 2023, detailing revenue and Adjusted EBITDA¹¹ by each of the Company's business units.

Segmented Revenue

Revenue presented by segment in the tables below exclude inter-segment revenue.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
(\$ millions, except where noted)	\$	\$	%	\$	\$	%
Revenue						
Modular Space Solutions	72.8	51.7	41%	224.0	206.7	8%
Workforce Solutions	59.9	51.7	16%	179.0	186.8	(4)%
Total revenue	132.7	103.4	28%	403.0	393.5	2%

Segmented Adjusted EBITDA

Adjusted EBITDA¹¹ presented by segment in the tables below exclude inter-segment Adjusted EBITDA¹¹.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
(\$ millions, except where noted)	\$	\$	%	\$	\$	%
Adjusted EBITDA⁽¹¹⁾						
Modular Space Solutions	25.2	17.3	46%	77.8	72.7	7%
Workforce Solutions	16.5	14.7	12%	58.1	59.1	(2)%
Corporate and Other	(4.5)	(5.9)	24%	(22.6)	(25.2)	10%
Total Adjusted EBITDA⁽¹¹⁾	37.2	26.1	43%	113.3	106.6	6%

¹¹Adjusted EBITDA is a non-GAAP financial measure. Return on Assets is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

MODULAR SPACE SOLUTIONS

MSS has a network of branches in key geographic areas across North America where we provide modular buildings, either for rent, or as a permanent solution through custom sales or used fleet sales. Products include mobile office units, classroom facilities, large multi-unit office complexes, lavatories, storage units, high security modular buildings, health care facilities, and custom manufactured modular facilities. We provide delivery, installation, and dismantlement of these modules as support to the primary rental or sales of equipment.

MSS provides ancillary products and services that are complementary to our modular buildings and provide the customer a packaged solution that enhances their productivity and allows for immediate use. These value-added products and services ("VAPS") include furniture rental, steps/ramps and landings, appliances, maintenance programs, utility services, disaster recovery programs, subleased equipment and more.

Our customers operate in the construction, education, power and energy infrastructure, and government industries. As a result of this diversity in the customer and geographic end markets, MSS generates steady cash flows from its recurring rental revenue.

Revenue

There are three revenue streams to which these assets contribute.

1. Rental: MSS provides assets to customers on a rental basis. Customers often renew units after the initial contract term expires on either a month-to-month or committed term basis. Rental often includes VAPS rental revenue when the ancillary equipment is owned by Black Diamond.

2. Sales: MSS complements its core, recurring rental revenue business with product sales. This sales activity is an extension of the asset rental business as many customers have long term or permanent projects where it may be more cost-effective to purchase rather than rent.

There are two categories of asset sales:

- Custom sales which involves the purchase of new units to customer specifications from our broad network of third-party manufacturers. Black Diamond will provide project management services including design work, procurement, installation, delivery, and other associated services. We do not purchase new custom fleet units for resale unless we have already obtained a commitment from the customer.
- Used fleet sales of non-utilized assets have been both a profitable and cost-effective method to dispose of less desirable assets to finance the replenishment or upgrade of the rental fleet while generating free cash flow.

3. Non-rental: Non-rental revenue is derived from a number of services that are typically associated with the rental or sale of the Company's modular space assets, including the delivery, installation, pickup, dismantling of assets, and sublease of equipment. The Company provides these services to customers for an additional fee beyond the rental and sales costs. Also included are VAPS that are provided to our customers where we are performing a service or supplying equipment that is not owned by Black Diamond.

Financial Highlights

Rental revenue for MSS is directly proportional to the number of rental fleet units, the utilization rate of the fleet and the realized unit rental rates. Rental rates will vary between projects and periods due to the size of the fleet unit types available, asset configuration, quantity, project location and contract duration.

Due to the diversity of our locations and customers we contract with, the recurring rental revenue in MSS is predictable and experiences consistently high margins. Non-rental and sales revenue, on the other hand, can fluctuate. The realized margins on non-rental and sales revenue are lower than margins for rental revenue due to the direct costs associated with non-rental revenue. As a result, changes in the mix between rental, non-rental and sales revenue, and the general variability in non-rental and sales revenue margins, can lead to fluctuations in Adjusted EBITDA as a % of Revenue¹² between periods.

Revenue by Stream (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Rental revenue	25.9	22.0	18%	94.1	85.4	10%
Sales revenue	28.6	14.7	95%	64.6	65.2	(1)%
Non-rental revenue	18.3	15.0	22%	65.3	56.1	16%
Total revenue	72.8	51.7	41%	224.0	206.7	8%
Adjusted EBITDA ⁽¹²⁾	25.2	17.3	46%	77.8	72.7	7%
Adjusted EBITDA as a % of Revenue ⁽¹²⁾	34.6%	33.5%	110 bps	34.7%	35.2%	(50) bps
Return on Assets ⁽¹²⁾	22.7%	18.5%	420 bps	18.8%	19.8%	(100) bps

VAPS as a % of Rental Revenue is a non-GAAP ratio which is calculated as VAPS revenue divided by rental revenue excluding VAPS revenue. A reconciliation to rental revenue, the most comparable GAAP financial measure, is provided below. Black Diamond uses this ratio as a measure of operating performance. Management believes this ratio is an important supplemental measure to appraise the growth of ancillary products and services in proportion to the growth of rental revenue.

Value Added Products & Services (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Rental revenue	25.9	22.0	18%	94.1	85.4	10%
Less:						
VAPS revenue within rental revenue	1.4	1.2	17%	5.3	4.7	13%
Rental revenue excluding VAPS revenue	24.5	20.8	18%	88.8	80.7	10%
VAPS revenue	2.0	1.7	18%	7.9	7.0	13%
VAPS as a % of Rental Revenue ⁽¹²⁾	8.2%	8.2%	— bps	8.9%	8.7%	20 bps

¹²Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA as a % of Revenue, Return on Assets, and VAPS as a % of Rental Revenue are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Revenue by Geography (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Canada	29.3	20.2	45%	89.2	76.0	17%
United States	43.5	31.5	38%	134.8	130.7	3%
Total revenue	72.8	51.7	41%	224.0	206.7	8%

Q4 2024 vs Q4 2023

MSS total revenue for the Quarter was \$72.8 million, up 41% or \$21.1 million from the Comparative Quarter.

- **Rental revenue** during the Quarter was \$25.9 million, up 18% or \$3.9 million from the Comparative Quarter due to improved average rental rates in all regions and an increase in the number of units for rent in all regions due to organic and inorganic growth capital expenditures.
- **Sales revenue** during the Quarter was \$28.6 million, up 95% or \$13.9 million from the Comparative Quarter due to an increase in custom and used fleet sales. Custom and used fleet sales were higher in the Quarter due in part to some sales that moved from the third quarter of 2024 to this Quarter due to permitting and other delays. These sales can be variable from quarter to quarter depending on the number and timing of projects reaching completion in a given period.
- **Non-rental revenue** during the Quarter was \$18.3 million, up 22% or \$3.3 million from the Comparative Quarter primarily due to higher installation revenue, from installing rental units, custom sales, and used fleet sales, all of which increased in the Quarter.

VAPS revenue within rental revenue during the Quarter was \$1.4 million, up 17% from the Comparative Quarter. VAPS as a % of Rental Revenue¹³ was relatively consistent with the Comparative Quarter.

Adjusted EBITDA¹³ for the Quarter of \$25.2 million increased 46% or \$7.9 million from the Comparative Quarter due to increased rental revenue, gross margin percentage and sales revenue.

Adjusted EBITDA as a % of Revenue¹³ increased 110 basis points to 34.6% as compared to the Comparative Quarter. This increase was driven by higher rental revenue and margins, partially offset by increased sales revenue which typically has a lower margin percentage.

Return on Assets¹³ for the Quarter was 22.7%, an increase of 420 basis points from the Comparative Quarter primarily due to increased contribution margin from rental, sales and non-rental revenue.

¹³Adjusted EBITDA is a non-GAAP financial measure. VAPS as a % of Rental Revenue, Adjusted EBITDA as a % of Revenue and Return on Assets are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Year to Date 2024 vs 2023

MSS total revenue for the Year was \$224.0 million, up 8% from the Prior Year.

- **Rental revenue** for the Year was \$94.1 million, up 10% or \$8.7 million from the Prior Year due to improved average rental rates as well as an increase in the size of the fleet. This increase was partially offset by lower utilization.
- **Sales revenue** for the Year was \$64.6 million, relatively consistent with the Prior Year.
- **Non-rental revenue** for the Year was \$65.3 million, up 16% or \$9.2 million from the Prior Year primarily due to an increase in installation revenue. Installation revenue includes revenue from installing rental units as well as custom or used fleet sales.

VAPS revenue within rental revenue for the Year was \$5.3 million, up 13% from the Prior Year. VAPS as a % of Rental Revenue¹⁴ increased 20 basis points as compared to the Prior Year.

Adjusted EBITDA¹⁴ for the Year was \$77.8 million, which increased 7% or \$5.1 million from the Prior Year. This change was due to contribution from increased rental and non-rental revenue.

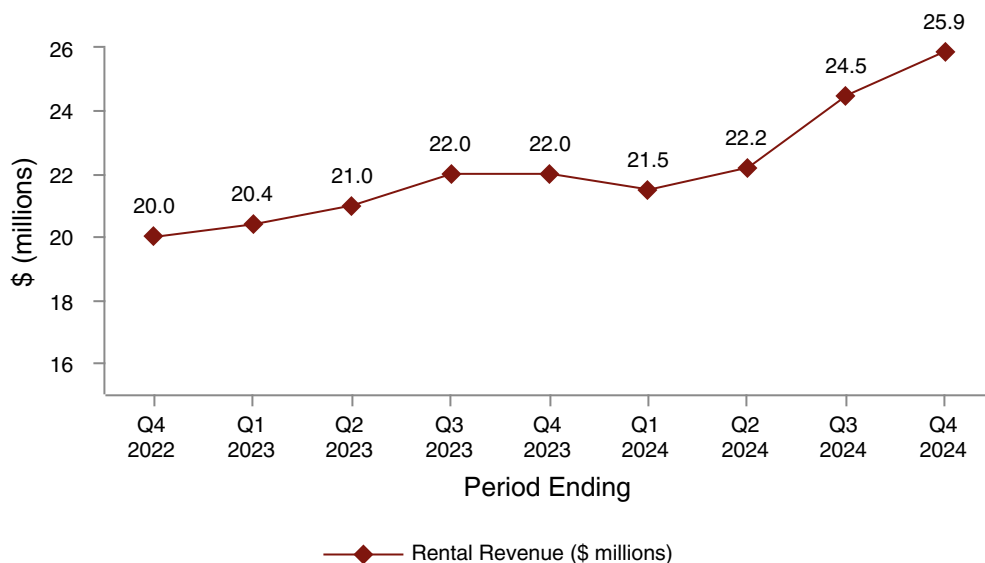
Adjusted EBITDA as a % of Revenue¹⁴ decreased 50 basis points to 34.7% as compared to the Prior Year. Adjusted EBITDA as a % of Revenue¹⁴ decreased mainly due to a settlement of a customer dispute in the Prior Year related to one customer that positively contributed to 2023 Adjusted EBITDA by \$2.1 million at 100% margin.

Return on Assets¹⁴ for the Year was 18.8%, a decrease of 100 basis points from the Prior Year, but within a healthy range relative to long term industry trends.

¹⁴Adjusted EBITDA is a non-GAAP financial measure. VAPS as a % of Rental Revenue, Adjusted EBITDA as a % of Revenue and Return on Assets are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Rental Revenue

Rental revenue increased significantly for the Quarter and hit an all-time record as well as continued to show positive quarter over comparative quarter growth. This is a continuation of the growth trend from quarter to comparative quarter that we have seen over the last two plus years. Rental revenue grew at a 13.8% compound annual growth rate from Q4 2022 to Q4 2024.



Rental Term

Rental durations typically exceed the original rental contract due to rental renewals or customers going month-to-month. The average duration of the MSS lease portfolio was 51.4 months as at December 31, 2024, a decrease of 0.5 months from 51.9 months as at December 31, 2023. The primary driver of the decrease was the addition of space rental units that were acquired as part of the asset purchase on June 28, 2024, which does not include rent prior to purchase.

Contracted Future Rental Revenue

Contracted future rental revenue for assets on rent is calculated as the total value of rental revenue yet to be recognized in the future related to performance obligations not yet satisfied as at the reporting period. Assets on rent is comprised of only assets that are on rent as at the reporting date.

Contracted future rental revenue for assets on rent as at December 31, 2024 was \$128.7 million, an increase of \$26.9 million or 26% from \$101.8 million as at December 31, 2023. This increase is mainly driven by growth in the average rental rates and the addition of assets. Contracted future rental revenue does not include rental contracts with a month-to-month term.

Space Rental Assets and Average Utilization

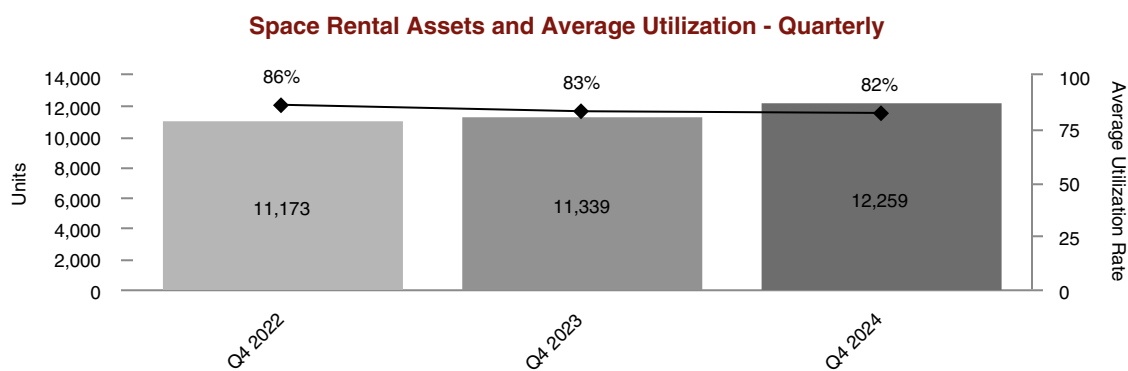
The MSS fleet consisted of 12,259 units as at December 31, 2024, which increased from 11,339 units as at December 31, 2023. This was due to the addition of 1,333 new units of which 329 space rental units were acquired as part of the asset purchase on June 28, 2024, with the remaining through organic growth. The MSS fleet increase was partially offset by dispositions of 413 units, primarily driven by fleet management and customer demand for used fleet sales.

MSS Consolidated

MSS assets, utilization, and rates	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Property and equipment net book value (\$ millions) ⁽¹⁾	417.9	344.8	21%	417.9	344.8	21%
Modular space assets	12,259	11,339	8%	12,259	11,339	8%
Average utilization ⁽²⁾	82.4%	83.2%	(80) bps	81.3%	83.5%	(220) bps
Average monthly rental rate per unit	\$873	\$792	10%	\$837	\$764	10%

(1) Net book value of property and equipment is influenced by changes in foreign exchange rates.

(2) Calculated as the net book value of fleet assets on rent, divided by the net book value of total fleet assets.



Q4 2024 vs Q4 2023

Utilization for the Quarter was 82.4%, down 80 basis points when compared to the Comparative Quarter, however, utilization remains at healthy consolidated levels across the platform relative to long term industry trends. Asset acquisitions were focused selectively on highly utilized unit types in specific geographic markets.

The average monthly rental rate per unit has increased as compared to the Comparative Quarter by 10%, due to higher rates across all regions as assets on expiring long term contracts continue to renew at current higher rates. On a constant currency basis, the average monthly rental rate per unit has also increased as compared to the Comparative Quarter by 9%.

Year to Date 2024 vs 2023

Utilization for the Year was 81.3%, down 220 basis points when compared to the Prior Year, however, utilization remains at healthy consolidated levels across the platform relative to long term industry trends. Asset acquisitions were focused selectively on highly utilized unit types in specific geographic markets.

The average monthly rental rate per unit has increased as compared to the Prior Year by 10% due to higher rates across all regions as assets on expiring long term contracts continue to renew at current higher rates. On a constant currency basis, the average monthly rental rate per unit also increased by 9% versus the Prior Year.

WORKFORCE SOLUTIONS

WFS provides workforce accommodation solutions including rental of accommodations and surface equipment, provision of full turnkey lodge services and provision of travel management logistics through LodgeLink. WFS operates in Canada, the U.S. and Australia.

The primary service offerings in WFS are asset rental, lodge services and travel management logistics. To support the core rental business, WFS also offers associated services such as installation, transportation, dismantlement, the sale of used fleet assets, sublease of third-party equipment and various forms of hospitality services.

The assets included in WFS are modular accommodation structures that are assembled into large scale camps in a variety of dormitory configurations with kitchen/diner complexes, recreation facilities and single-unit or multi-unit complexes. These assets are often necessary for operations related to power and energy infrastructure, oil and gas, government, disaster relief, social housing, mining, construction, education, and other industries. On occasion these assets are supplied to open lodges which generate revenue based on occupancy. These accommodations typically house workforces in remote locations where local accommodation infrastructure is either insufficient or non-existent.

LodgeLink is a digital marketplace and ecosystem that enables customers to efficiently find, book, and manage their workforce travel and accommodation needs through a rapidly growing network of hotel, remote lodge, and travel partners. The LodgeLink digital platform was created to solve and address the unique challenges associated with workforce travel with a goal to remove inefficiencies at every step of the workforce travel process from booking, to management, to payments. LodgeLink's vision is to be the pre-eminent ecosystem for workforce travel, while applying innovative technology to transform the workforce travel process.

Revenue

There are four revenue streams to which these assets contribute.

1. **Rental:** WFS provides assets to customers on a rental basis. Rental contracts may be month-to-month or a term longer than a month for accommodation fleet assets and based on day rates for surface rental fleet assets. Rental is the core revenue stream and generates a higher margin in proportion to other revenue streams.
2. **Sales:** WFS sells used and custom workforce accommodations, wellsite accommodations and surface equipment assets.
3. **Non-Rental:** WFS provides complete installation, delivery, maintenance services, catering services and subleased equipment. Installation and delivery of assets is typically associated with rental contracts or sales of new and used fleet, contracted on a lump sum basis. Catering contracts or sublease contracts are typically associated with a rental contract of workforce accommodations assets or wellsite accommodations assets. Also included in non-rental revenue is the revenue earned on room nights sold at third-party lodges and hotels through LodgeLink. Non-rental margins are variable in nature and non-rental revenue is an auxiliary service to the rental revenue stream. Non-rental activity typically reduces once assets are installed and on rent.
4. **Lodge Services:** WFS typically generates revenue from the provision of full turnkey lodge services to our customers. Lodge services revenue is earned both at the Company's open lodges and at turnkey sites where the Company is providing accommodation assets and additional management

or catering services for a dedicated customer camp. Lodge services revenue is earned on a day rate or days occupied basis.

Financial Highlights

The following is a summary of the key metrics used by management to assess performance. Revenue, Adjusted EBITDA¹⁵, Adjusted EBITDA as a % of Revenue¹⁵ and Return on Assets¹⁵ are key financial measures which fluctuate in proportion to utilization, occupancy and rates.

Revenue by Stream (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Rental revenue	12.6	14.0	(10)%	52.7	59.6	(12)%
Sales revenue	24.6	8.8	180%	40.7	15.1	170%
Non-rental revenue	12.6	22.6	(44)%	51.3	73.0	(30)%
Lodge services revenue	10.1	6.3	60%	34.3	39.1	(12)%
Total revenue	59.9	51.7	16%	179.0	186.8	(4)%

Revenue by Geography (\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Canada	43.4	34.5	26%	126.6	129.1	(2)%
United States	5.9	4.8	23%	21.2	16.4	29%
Australia	10.6	12.4	(15)%	31.2	41.3	(24)%
Total revenue	59.9	51.7	16%	179.0	186.8	(4)%

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Adjusted EBITDA ¹⁵	16.5	14.7	12%	58.1	59.1	(2)%
Adjusted EBITDA as a % of Revenue ¹⁵	27.5%	28.4%	(90) bps	32.5%	31.6%	90 bps
Return on Assets ¹⁵	43.3%	39.0%	430 bps	38.3%	38.9%	(60) bps

Q4 2024 vs Q4 2023

Adjusted EBITDA¹⁵ for the Quarter was \$16.5 million, up 12% or \$1.8 million from the Comparative Quarter, due to higher consolidated revenue driven by increased sales and lodge services revenue streams, partially offset by lower non-rental and rental revenue. The increase is primarily explained by used fleet sales and custom sales related to long-term mining projects, partially offset by lower installation and dismantle activities in the Quarter. Adjusted EBITDA as a % of Revenue¹⁵ of 27.5% was 90 basis points lower than the Comparative Quarter due to lower margins on sales revenue driven by custom sales which generated a lower margin. This is offset by higher margins related to a full period of operations at opened lodges in the Quarter compared to the initial startup costs to open these lodges in the Comparative Quarter.

¹⁵Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA as a % of Revenue and Return on Assets are non-GAAP ratios. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Year to Date 2024 vs 2023

Adjusted EBITDA¹⁶ for the Year was \$58.1 million, down 2% or \$1.0 million from the Prior Year, primarily due to lower non-rental, rental, and lodge services revenue streams. This is combined with an increase in administrative expenses in LodgeLink, while these expenses for the balance of the WFS business is flat. This is partially offset by higher sales revenue explained by used fleet sales and custom sales related to long-term mining projects. Adjusted EBITDA as a % of Revenue¹⁶ of 32.5% was up 90 basis points compared to the Prior Year due to a slight change in the revenue mix.

Workforce Solutions Fleet

The following are key metrics used to measure and report on performance of WFS fleet assets. Average asset utilization is calculated by dividing the net book value of fleet assets on rent and assets deployed at open lodges by the total net book value of total fleet assets. Fleet assets used to generate lodge services revenue at open lodges are shown as utilized.

Average Asset Utilization	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Canada	50.7%	46.2%	450 bps	51.7%	60.4%	(870) bps
Rental Assets ⁽¹⁾	33.7%	37.3%	(360) bps	36.5%	51.3%	(1,480) bps
Lodge Services ⁽²⁾	17.0%	8.9%	810 bps	15.2%	9.1%	610 bps
United States	75.9%	79.5%	(360) bps	79.2%	78.4%	80 bps
Australia	67.3%	76.8%	(950) bps	74.0%	82.4%	(840) bps
Consolidated WFS average asset utilization	60.6%	60.3%	30 bps	63.1%	68.6%	(550) bps

(1) Calculated as the net book value of fleet assets on rent divided by the net book value of total fleet assets for the region.

(2) Calculated as the net book value of fleet assets deployed at open lodges divided by the net book value of total fleet assets for the region.

Fleet Count (Units)	As at December 31,		
	2024	2023	Change
Canada	3,750	4,233	(11)%
United States	522	497	5%
Australia	1,537	1,418	8%
Total Fleet Count	5,809	6,148	(6)%

Consolidated Room Count by Geography	As at December 31,		
	2024	2023	Change
Canada	5,880	7,640	(23)%
United States	995	933	7%
Australia	741	897	(17)%
Total Room Count	7,616	9,470	(20)%

¹⁶Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA as a % of Revenue is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Net Book Value by Geography (\$ millions)	As at December 31,		
	2024	2023	Change
Canada	70.8	81.6	(13)%
United States	36.0	32.5	11%
Australia	35.6	31.5	13%
	142.4	145.6	(2)%

Rental

Q4 2024 vs Q4 2023

Rental revenue during the Quarter was \$12.6 million, down 10% or \$1.4 million from the Comparative Quarter due to lower utilization in all regions, as assets continue to be mobilized and redeployed from previously completed projects. The decrease in Australia's utilization is driven by a significant camp project coming to completion in the Comparative Quarter and timing associated with redeployment. This is partially offset by higher average rates in Canada and the U.S.

Year to Date 2024 vs 2023

Rental revenue for the Year was \$52.7 million, down 12% or \$6.9 million from the Prior Year due to lower utilization in Canada and Australia, partially offset by higher average rates in all regions and higher utilization in the U.S. The decrease is also driven by the completion of two large pipeline projects in the Prior Year offset by the award of smaller projects in the Year.

Contracted Future Rental Revenue

Contracted future rental revenue from contracts in place is calculated as the total value of rental revenue yet to be recognized in the future related to performance obligations not yet satisfied as at the reporting period. The commencement date of the contracts in place includes both contracts that commenced before the reporting period or in some instances contracts signed but which will commence in future reporting periods.

As at December 31, 2024, contracted future rental revenue from contracts in place was \$30.7 million, a decrease of 11% or \$3.9 million from the Comparative Quarter. The vast majority of rental contracts signed by WFS have a contracted term and are typically extended past their respective expiry date, usually on a month-to-month basis. Contracted future rental revenue from contracts in place do not include rental contracts with a month-to-month term.

Sales

Q4 2024 vs Q4 2023

Sales revenue during the Quarter was \$24.6 million, up 180% or \$15.8 million from the Comparative Quarter due to higher custom sales in all regions and higher used fleet sales in Canada and Australia.

Year to Date 2024 vs 2023

Sales revenue during the Year was \$40.7 million, up 170% or \$25.6 million from the Prior Year due to higher custom sales in all regions and higher used fleet sales in Canada and Australia.

Non-Rental

Q4 2024 vs Q4 2023

Non-rental revenue during the Quarter was \$12.6 million, down 44% or \$10.0 million from the Comparative Quarter primarily due to a decrease in installation, dismantle and transportation revenue of significant projects in all regions, and sublease activity in Australia. This is partially offset by increased net revenue from LodgeLink.

Year to Date 2024 vs 2023

Non-rental revenue for the Year was \$51.3 million, down 30% or \$21.7 million from the Prior Year due to a decrease in installation and dismantle activities of significant projects in Canada and Australia, transportation activity in all regions, and sublease and catering activity in Australia. This is partially offset by increased net revenue from LodgeLink, and sublease and catering activity in Canada.

Lodge Services

Q4 2024 vs Q4 2023

Lodge services revenue during the Quarter was \$10.1 million, up 60% or \$3.8 million from the Comparative Quarter, due to increased occupancy and rates.

Year to Date 2024 vs 2023

Lodge services revenue for the Year was \$34.3 million, down 12% or \$4.8 million from the Prior Year due to reduced occupancy as a result of some significant projects reaching completion.

LodgeLink

LodgeLink net revenue is generated from bookings from the margin per room booked and rebates earned on the payment transaction with accommodation and travel suppliers. When the room is booked in a third-party hotel or lodge the revenue is categorized as non-rental revenue and revenue from bookings at Black Diamond owned lodges is categorized as lodge services revenue.

	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Gross Bookings (\$ millions) ⁽¹⁷⁾	21.7	19.6	11%	94.8	78.4	21%
Net revenue (\$ millions)	2.5	2.6	(4)%	11.4	9.8	16%
Net Revenue Margin ⁽¹⁷⁾	11.5%	13.3%	(180) bps	12.0%	12.4%	(40) bps
Total room nights sold	125,022	101,726	23%	517,382	419,328	23%

Q4 2024 vs Q4 2023

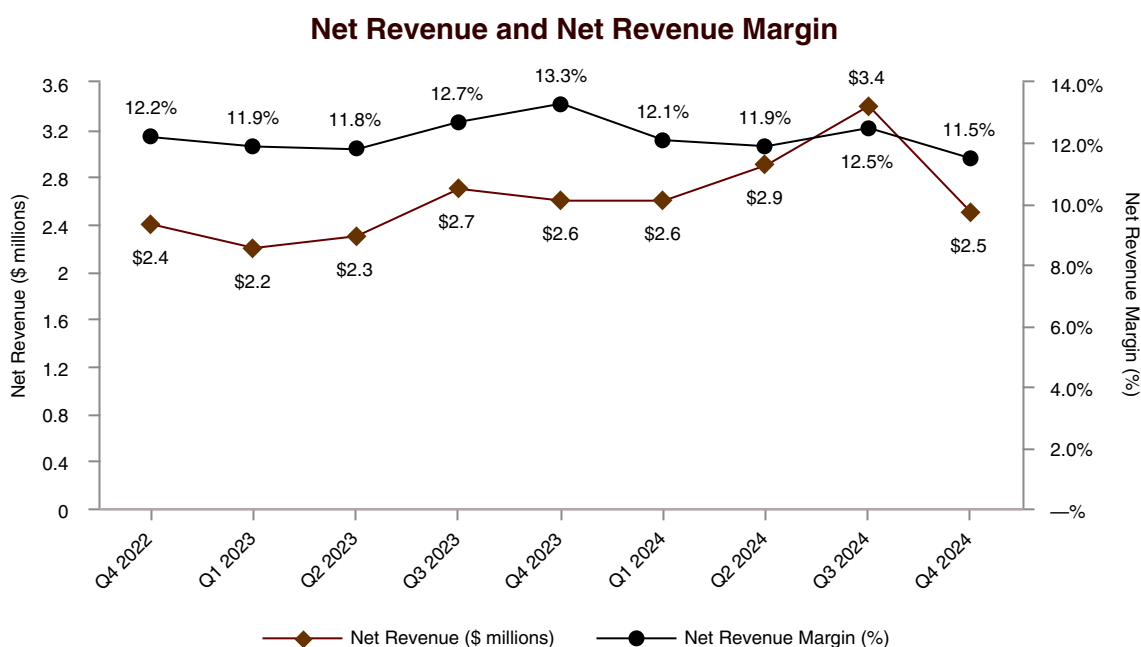
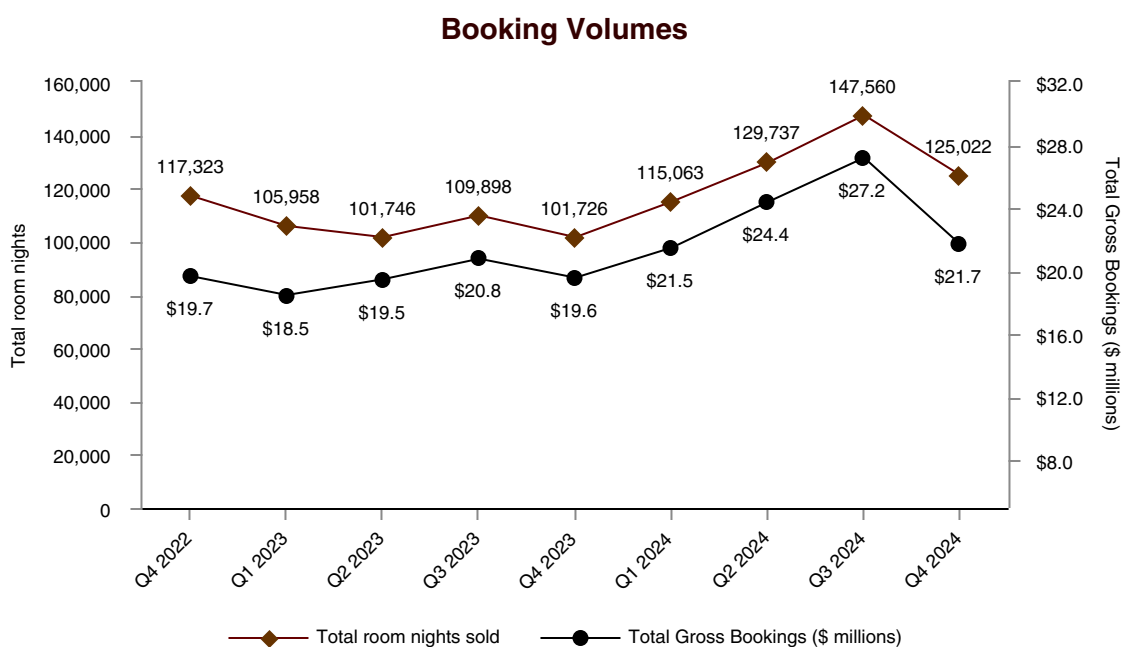
Total room nights sold in the Quarter was 125,022, an increase of 23% from the Comparative Quarter. Net revenue during the Quarter was \$2.5 million, down 4%, or \$0.1 million from the Comparative Quarter despite an increase in room nights sold, primarily due to our customer and revenue mix. Net Revenue Margin¹⁷ of 11.5% for the Quarter decreased by 180 basis points compared to the Comparative Quarter primarily due to lower average daily room rates.

¹⁷Gross Bookings is a non-GAAP financial measure. Net Revenue Margin is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

Year to Date 2024 vs 2023

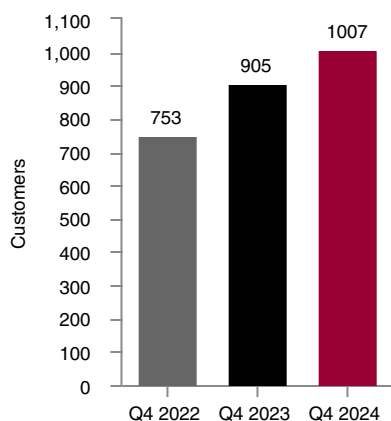
Net revenue for the Year was \$11.4 million, up 16%, or \$1.6 million from the Prior Year, resulting from record high total room nights sold of 517,382, which increased by 23%, and Gross Bookings¹⁸ of \$94.8 million, which increased by 21%, from the Prior Year. The increase over the Prior Year demonstrates continued growth and record activity. For the Year, Net Revenue Margin¹⁸ decreased by 40 basis points due to lower average daily room rates which was driven by revenue and customer mix.

¹⁸Gross Bookings is a non-GAAP financial measure. Net Revenue Margin is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure and ratio.

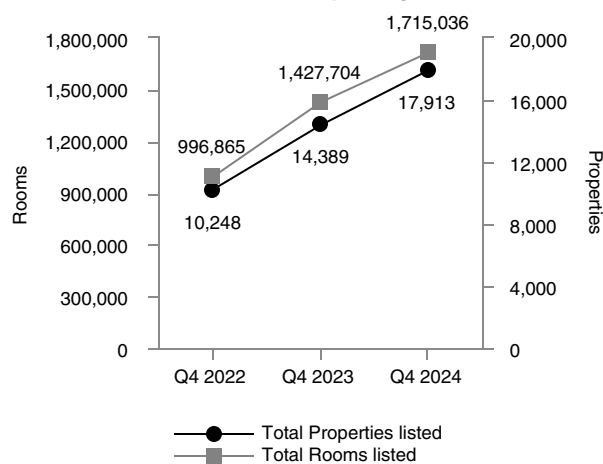


¹⁹Gross Bookings is a non-GAAP financial measure. Net Revenue Margin is a non-GAAP ratio. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP ratio.

As at December 31, Cumulative Corporate Customers



As at December 31, Listed Capacity



Cumulative corporate customers is a count of individual corporate customers that have booked with LodgeLink from the inception of the booking platform.

CORPORATE AND OTHER

The Corporate and Other business unit includes costs related to administrative activities that support all business units. The administrative support functions include activities of the executive office, finance, human resources, health and safety, legal, annual profit incentives for the Company, insurance, software licensing and information technology. Included in the Corporate and Other business unit is non-material revenue that is not significant enough to report on its own.

Financial Highlights

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Property and equipment net book value	16.1	16.0	1%	16.1	16.0	1%
Adjusted EBITDA ⁽²⁰⁾	(4.5)	(5.9)	24%	(22.6)	(25.2)	10%

Q4 2024 vs Q4 2023

Property and equipment net book value was \$16.1 million, relatively consistent with the Comparative Quarter.

Adjusted EBITDA²⁰ for the Quarter was negative \$4.5 million, an increase of 24% or \$1.4 million compared to negative \$5.9 million in the Comparative Quarter, primarily due to lower personnel expenses as a result of a decrease in profit incentives.

Year to Date 2024 vs 2023

Property and equipment net book value was \$16.1 million, relatively consistent with the Prior Year.

Adjusted EBITDA²⁰ for the Year was negative \$22.6 million, an increase of 10% or \$2.6 million compared to negative \$25.2 million in the Prior Year due to lower personnel expenses as a result of a decrease in profit incentives.

²⁰Adjusted EBITDA is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures", "Financial Review - Capital Plan" and "Modular Space Solutions - Financial Highlights" sections of this MD&A for more information on each non-GAAP financial measure.

LIQUIDITY AND CAPITAL RESOURCES

Cash Requirements

Capital Expenditures

Black Diamond's capital expenditures relate primarily to:

- MSS - space rental structures and ancillary equipment;
- WFS - workforce accommodation structures, ancillary equipment, surface rental equipment, space rental structures in Australia and LodgeLink development costs; and
- Corporate and Other - land, leasehold improvements, computers, furniture and service-related equipment.

For the Quarter, Black Diamond expended \$14.7 million (Comparative Quarter – \$13.9 million) on additions to property and equipment and intangible assets. The expenditures on additions are set out in the table below.

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change %	2024	2023	Change %
Modular Space Solutions	8.5	10.0	(15)%	86.7	43.2	101%
Workforce Solutions	6.0	3.7	62%	21.6	22.7	(5)%
Corporate and Other	0.2	0.2	—%	0.9	3.2	(72)%
Total capital expenditures	14.7	13.9	6%	109.2	69.1	58%

Sources and Uses of Cash

Cash flows from operating, investing and financing activities, as reflected in the consolidated statement of cash flows, are summarized in the following table:

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change %	2024	2023	Change %
Cash from operating activities	30.2	35.1	(14)%	111.4	133.0	(16)%
Cash used in investing activities	(14.6)	(10.4)	40%	(112.3)	(68.6)	64%
Cash (used in) from financing activities	(17.2)	(23.1)	(26)%	7.5	(65.9)	111%
Total cash (decrease) increase	(1.6)	1.6	(200)%	6.6	(1.5)	540%

Liquidity needs can be met through a variety of sources, depending on specific circumstances, including: available cash, cash generated from operations, draw downs under the ABL Facility and the issuance of new equity or debt. Black Diamond's primary use of funds are operational expenses, sustaining and opportunity capital spending, interest, taxes, dividends and distributions and principal debt repayments.

Cash from operating activities was \$4.9 million lower in the Quarter than in the Comparative Quarter due to an increase in non-cash working capital as a result of an increased level of operating activities in the Quarter, partially offset by an increase in used fleet sales and deferred income taxes.

Cash used in investing activities was \$4.2 million higher in the Quarter than in the Comparative Quarter due to increased capital expenditures in the Quarter.

Cash used in financing activities was \$5.9 million lower in the Quarter than in the Comparative Quarter primarily due to decreased net repayments of long-term debt, partially offset by an increase in net purchases of shares in trust and under the Company's normal course issuer bid and dividends paid on common shares.

Working Capital

The following table presents summarized working capital information:

(\$ millions, except as noted)	December 31, 2024	December 31, 2023	Change \$	Change %
Current assets	108.6	85.0	23.6	28%
Current liabilities	83.4	77.5	5.9	8%
Working capital ⁽¹⁾	25.2	7.5	17.7	236%

(1) Working capital, a supplementary financial measure, is calculated as current assets minus current liabilities.

The increase in current assets of \$23.6 million from December 31, 2023 was due to an increase in accounts receivable of \$9.2 million, an increase in prepaid expenses and other current assets of \$7.6 million, and an increase in cash and cash equivalents of \$6.8 million.

The increase in current liabilities of \$5.9 million from December 31, 2023 was primarily due to a \$6.1 million increase in deferred revenue and a \$1.5 million increase in lease liabilities, partially offset by a \$1.7 million decrease in accounts payable and accrued liabilities.

Contractual Obligations and Other Commitments

As at December 31, 2024, Black Diamond had capital expenditure commitments in the amount of \$30.6 million. Additionally, Black Diamond has a commitment of \$32.0 million related to the Company's office and yard leases, which have varying terms over the next ten years. It is management's intention to meet the funding requirements for these commitments through internally generated cash flow.

Principal Debt Instruments

The Company has an ABL Facility with a maximum revolving line of \$325 million and an uncommitted accordion at \$50 million. The maturity date of the ABL Facility is October 31, 2026.

The borrowing base, or available amount at any given time under the ABL Facility, is based on 85 - 90% of the Net Orderly Liquidation Value (as defined in the ABL Facility) of eligible rental fleet and qualified receivables plus certain other qualifying assets, up to \$325 million.

Effective February 20, 2025, the Company reached an agreement with its lenders to extend and amend its ABL Facility, increasing the maximum revolving line to \$425 million while also providing advance rates against categories of rental assets that were previously excluded from the borrowing base. The maturity date was extended to February 20, 2030 and all other material terms remained the same.

In addition, the Company has bank term loans related to an acquisition in 2022 that have fixed interest rates ranging from 3.05% - 3.79%. These loans mature between June 2025 and December 2026, and are secured by specific equipment.

For the Quarter, the average interest rate on outstanding debt was 5.36% (Comparative Quarter - 6.11%). For the Year, the average interest rate on outstanding debt was 5.96% (Prior Year - 5.68%).

The Company uses debt to finance its business activities. Management believes that Black Diamond has the liquidity, barring any unforeseen circumstances, to continue to operate through the foreseeable future, and pursue its planned business objectives.

Management believes that the ongoing management of cash generated from operations will be sufficient to allow it to meet ongoing requirements for working capital, repayment of the ABL Facility, maintenance costs, administrative expenses, and interest costs. Black Diamond's cash generated from operations will be dependent upon future financial performance, which in turn will be subject to financial, business and other risk factors, including factors beyond Black Diamond's control. Management also believes that, dependent on capital market conditions, Black Diamond has room under its existing credit facilities and believes it has the ability to raise equity if required.

The Company is committed to maintaining a strong balance sheet and flexible capital structure.

The Company has entered into interest rate swap agreements, which are recognized as risk management assets, with the ABL Facility lending syndicate for an aggregate of \$80 million, with termination dates between October 29, 2026 and August 29, 2029. During the Year, a \$30 million swap was entered into effective September 29, 2024 with a termination date of August 29, 2029. As at December 31, 2024, the total value of the risk management assets were \$0.1 million (December 31, 2023 - \$1.4 million).

Debt Covenants

In accordance with the terms of the ABL Facility, the Company is required to maintain a fixed charge coverage ratio ("FCCR") of 1.1 to 1; however, this covenant is only tested in certain instances, principally when draws under the ABL Facility exceed 90% of the borrowing base. As at December 31, 2024, the Company's draws under the ABL Facility amounted to 59% of the borrowing base of \$395.8 million, therefore the FCCR covenant was not applicable. Draws under the ABL Facility are limited to the lesser of the borrowing base and the authorization limit of \$325.0 million.

As at December 31, 2024, Black Diamond was in compliance with all debt covenants.

Share Capital

As at December 31, 2024, Black Diamond had 61.2 million (December 31, 2023 - 60.2 million) common shares outstanding, net of 1.0 million (December 31, 2023 - 0.9 million) held in trust to settle equity-based compensation plans. In addition, as at December 31, 2024, Black Diamond had 3.2 million (December 31, 2023 - 3.8 million) common shares reserved for issuance pursuant to the exercise of options and restricted share units which have been granted pursuant to Black Diamond's share option plan and restricted and performance incentive award plan.

The following table summarizes Black Diamond's equity capitalization as at March 6, 2025 (in thousands):

Common shares (net of shares held in trust)	60,996
Common shares (held in trust)	953
Stock options	2,655
Restricted and performance share units	413

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on the Company's financial condition, revenue or expenses, results of operations, liquidity or capital expenses.

Contractual Obligations

The following table summarizes Black Diamond's total contractual obligations as at December 31, 2024:

(\$ millions, except as noted)	Payments due by period			
	Total	Less than 1 year	1 - 5 years	After 5 years
Accounts payable and accrued liabilities	43.3	43.3	—	—
Long-term debt	236.9	1.2	235.7	—
Lease obligations, undiscounted	29.4	10.7	18.4	0.3
Commitments	2.5	1.3	1.2	—
Capital commitments	30.6	30.6	—	—
Total contractual obligations	342.7	87.1	255.3	0.3

FINANCIAL INSTRUMENTS

All of Black Diamond's financial instruments as at December 31, 2024 relate to standard working capital accounts, credit facility items and risk management contracts.

Black Diamond is subject to both cash flow and interest rate risk on its long-term debt facilities. The required cash flow to service the Company's long-term debt facilities will fluctuate as a result of changes in market rates.

NON-GAAP FINANCIAL MEASURES

Black Diamond's consolidated financial statements have been prepared in accordance with IFRS. Non-GAAP financial measures are used to assist investors in understanding Black Diamond's operating results that may not be evident when relying solely on the GAAP financial measures. Black Diamond believes securities analysts, investors and other interested parties frequently use non-GAAP financial measures in the evaluation of the Company's results. Black Diamond uses non-GAAP financial measures to evaluate operating results from period to period, as internal reporting key performance indicators, and to determine elements of management compensation. Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers for these non-GAAP financial measures. These non-GAAP financial measures include Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA as a % of Revenue, Net Debt, Net Debt to TTM Adjusted Leverage EBITDA, Funds from Operations, Free Cashflow, Gross Profit Margin, Return on Assets, VAPS as a % of Rental Revenue, Gross Bookings, Net Revenue Margin and Net Capital Expenditures.

Adjusted EBITDA is not a measure recognized under IFRS and does not have standardized meanings prescribed by IFRS. Adjusted EBITDA refers to consolidated earnings before finance costs, tax expense, depreciation and amortization, accretion, foreign exchange, share-based compensation, acquisition costs, non-controlling interests, share of gains or losses of an associate, write-down of property and equipment, impairment, non-recurring costs, and gains or losses on the sale of non-fleet assets in the normal course of business.

Black Diamond uses Adjusted EBITDA primarily as a measure of operating performance. Management believes that operating performance, as determined by Adjusted EBITDA, is meaningful because it presents the performance of the Company's operations on a basis which excludes the impact of certain non-cash items as well as how the operations have been financed. In addition, management presents Adjusted EBITDA because it considers it to be an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

Adjusted EBITDA has limitations as an analytical tool, and readers should not consider this item in isolation, or as a substitute for an analysis of the Company's results as reported under IFRS. Some of the limitations of Adjusted EBITDA are:

- Adjusted EBITDA excludes certain income tax payments and recoveries that may represent a reduction or increase in cash available to the Company;
- Adjusted EBITDA does not reflect the Company's cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, the Company's working capital needs;
- Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest payments on the Company's debt;
- Depreciation and amortization are non-cash charges, thus the assets being depreciated and amortized will often have to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in the industry may calculate Adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of the Company's business. The Company compensates for these limitations by relying primarily on the Company's IFRS results and using Adjusted EBITDA only on a supplementary basis. A reconciliation to profit, the most comparable GAAP financial measure, is provided below.

Adjusted EBIT is Adjusted EBITDA less depreciation and amortization. Black Diamond uses Adjusted EBIT primarily as a measure of operating performance. Management believes that Adjusted EBIT is a useful measure for investors when analyzing ongoing operating trends. There can be no assurances that additional special items will not occur in future periods, nor that the Company's definition of Adjusted EBIT is consistent with that of other companies. As such, management believes that it is appropriate to consider both profit determined on a GAAP basis as well as Adjusted EBIT. A reconciliation to profit, the most comparable GAAP financial measure, is provided below.

Adjusted EBITDA as a % of Revenue is calculated by dividing Adjusted EBITDA by total revenue for the period. Black Diamond uses Adjusted EBITDA as a % of Revenue primarily as a measure of operating performance. Management believes this ratio is an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

Return on Assets is calculated as annualized Adjusted EBITDA divided by average net book value of property and equipment. Annualized Adjusted EBITDA is calculated by multiplying Adjusted EBITDA for the Quarter and Comparative Quarter by an annualized multiplier. Management believes that Return on Assets is a useful financial measure for investors in evaluating operating performance for the periods presented. When read in conjunction with our profit and property and equipment, two GAAP financial measures, this non-GAAP ratio provides investors with a useful tool to evaluate Black Diamond's ongoing operations and management of assets from period-to-period.

Reconciliation of Consolidated Profit to Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA as a % of Revenue and Return on Assets:

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change %	2024	2023	Change %
Profit	9.3	7.8	19%	25.7	30.4	(15)%
Add:						
Depreciation and amortization	14.6	11.2	30%	49.0	44.2	11%
Finance costs	3.8	3.7	3%	15.3	14.1	9%
Share-based compensation	1.3	1.1	18%	5.6	6.2	(10)%
Non-controlling interests	0.5	0.3	67%	1.6	1.1	45%
Current income taxes	0.9	0.1	800%	1.1	0.2	450%
Deferred income taxes	5.4	0.4	1,250%	10.4	8.9	17%
Non-recurring costs						
ERP implementation and related costs ⁽¹⁾	1.4	1.5	(7)%	4.0	1.5	167%
Acquisition costs	—	—	—%	0.6	—	100%
Adjusted EBITDA	37.2	26.1	43%	113.3	106.6	6%
Less:						
Depreciation and amortization	14.6	11.2	30%	49.0	44.2	11%
Adjusted EBIT	22.6	14.9	52%	64.3	62.4	3%
Total revenue	132.7	103.4	28%	403.0	393.5	2%
Adjusted EBITDA as a % of Revenue	28.0%	25.2%	280 bps	28.1%	27.1%	100 bps
Annualized multiplier	4	4		1	1	
Annualized adjusted EBITDA	148.8	104.4	43%	113.3	106.6	6%
Average net book value of property and equipment	590.5	542.7	9%	562.6	535.0	5%
Return on Assets	25.2%	18.1%	710 bps	20.1%	19.6%	50 bps

(1) This relates to the corporate structure reorganization costs that have been incurred in preparation of a new ERP system and are included in administrative expenses; the first phase of the implementation went live on May 1, 2024 and the second phase commenced on November 1, 2024.

Reconciliation of Consolidated Profit to Adjusted EBITDA, Net Debt and Net Debt to TTM Adjusted Leverage EBITDA:

Net Debt to TTM Adjusted Leverage EBITDA is a non-GAAP ratio which is calculated as Net Debt divided by trailing twelve months Adjusted Leverage EBITDA. **Net Debt**, a non-GAAP financial measure, is calculated as long-term debt minus cash and cash equivalents. A reconciliation to long-term debt, the most comparable GAAP financial measure, is provided below. Net Debt and Net Debt to TTM Adjusted Leverage EBITDA removes cash and cash equivalents from the Company's debt balance. Black Diamond uses this ratio primarily as a measure of operating performance. Management believes this ratio is an important supplemental measure of the Company's performance and believes this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. Management believes including the additional information in this calculation helps provide information on the impact of trailing operations from business combinations on the Company's leverage position.

(\$ millions, except as noted)	2024	2024	2024	2024	2023	2023	2023	2023	Change
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Profit	9.3	7.4	7.5	1.5	7.8	13.6	4.6	4.4	
Add:									
Depreciation and amortization	14.6	12.6	11.1	10.7	11.2	12.6	10.6	9.8	
Finance costs	3.8	4.3	3.4	3.8	3.7	3.7	3.7	2.9	
Share-based compensation	1.3	1.2	1.6	1.5	1.1	1.6	1.3	2.2	
Non-controlling interests	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	
Current income taxes	0.9	—	—	0.2	0.1	—	0.1	—	
Deferred income taxes	5.4	2.6	2.1	0.3	0.4	4.8	1.9	1.8	
Non-recurring costs									
ERP implementation and related costs ⁽¹⁾	1.4	0.3	1.8	0.5	1.5	—	—	—	
Acquisition costs	—	—	—	0.6	—	—	—	—	
Adjusted EBITDA	37.2	28.8	27.9	19.4	26.1	36.6	22.5	21.4	
TTM Adjusted Leverage EBITDA	113.3				106.6				6%
Long-term debt	235.7				190.4				24%
Cash and cash equivalents	13.3				6.5				105%
Current portion of long-term debt ⁽²⁾	1.2				0.3				300%
Net Debt	223.6				184.2				21%
Net Debt to TTM Adjusted Leverage EBITDA	2.0				1.7				18%

(1) This relates to the corporate structure reorganization costs that have been incurred in preparation of a new ERP system and are included in administrative expenses; the first phase of the implementation went live on May 1, 2024 and the second phase commenced on November 1, 2024.

(2) Current portion of long-term debt relating to the payments due within one year on the bank term loans assumed as part of the acquisition in the fourth quarter of 2022.

Funds from Operations is calculated as the cash flow from operating activities, the most comparable GAAP financial measure, excluding the changes in non-cash working capital. Management believes that Funds from Operations is a useful measure as it provides an indication of the funds generated by the operations before working capital adjustments. Changes in long-term accounts receivable and non-cash working capital items have been excluded as such changes are financed using the operating line of Black Diamond's credit facilities. A reconciliation to cash flow from operating activities, the most comparable GAAP financial measure, is provided below.

Free Cashflow is calculated as Funds from Operations minus maintenance capital, net interest paid (including lease interest), payment of lease liabilities, net current income tax expense (recovery), distributions declared to non-controlling interests and dividends paid on common shares plus net current income taxes received (paid). Management believes that Free Cashflow is a useful measure as it provides an indication of the funds generated by the operations before working capital adjustments and other items noted above. Management believes this metric is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. A reconciliation to cash flow from operating activities, the most comparable GAAP financial measure, is provided below.

Reconciliation of Cash Flow from Operating Activities to Funds from Operations and Free Cashflow:

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Cash Flow from Operating Activities	30.2	35.1	(14)%	111.4	133.0	(16)%
Add (deduct):						
Change in other long-term assets	1.9	0.5	280%	1.4	0.6	133%
Changes in non-cash operating working capital	12.0	(5.5)	318%	11.8	(16.8)	170%
Funds from Operations	44.1	30.1	47%	124.6	116.8	7%
Add (deduct):						
Maintenance capital	(3.3)	(2.2)	(50)%	(12.6)	(8.3)	(52)%
Payment for lease liabilities	(2.5)	(2.1)	(19)%	(9.1)	(7.8)	(17)%
Interest paid (including lease interest)	(3.7)	(3.5)	(6)%	(15.2)	(13.5)	(13)%
Net current income tax expense	0.9	0.1	800%	1.1	0.2	450%
Dividends paid on common shares	(1.8)	(1.2)	(50)%	(7.3)	(4.8)	(52)%
Distributions paid to non-controlling interests	(1.0)	(0.7)	(43)%	(1.6)	(1.3)	(23)%
Free Cashflow	32.7	20.5	60%	79.9	81.3	(2)%

Gross Profit Margin is a non-GAAP financial measure which is calculated by dividing gross profit, a GAAP financial measure calculated as total revenue less direct costs, by total revenue for the period. Management believes this ratio is an important supplemental measure of the Company's performance and believes this ratio is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures.

Reconciliation of Gross Profit to Gross Profit Margin:

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Total revenue	132.7	103.4	28%	403.0	393.5	2%
Direct costs	77.4	59.8	29%	219.2	219.1	—%
Gross profit	55.3	43.6	27%	183.8	174.4	5%
Gross Profit Margin	41.7%	42.2%	(50) bps	45.6%	44.3%	130 bps

Gross Bookings is a non-GAAP financial measure, and is calculated as the total revenue billed to the customer which includes all fees and charges. Net revenue, a GAAP financial measure, is Gross Bookings less costs paid to suppliers. Revenue from bookings at third-party lodges and hotels through LodgeLink is recognized on a net revenue basis. LodgeLink is an agent in the transaction as it is not responsible for providing the service to the customer and does not control the service provided by a supplier. Management believes this non-GAAP financial measure is an important supplemental measure of LodgeLink's performance and cash generation and believes this non-GAAP financial measure is frequently used by interested parties in the evaluation of companies in industries with similar forms of revenue generation.

Net Revenue Margin is calculated by dividing net revenue by Gross Bookings for the period. Management believes this ratio is an important supplemental measure of LodgeLink's performance and profitability and believes this ratio is frequently used by interested parties in the evaluation of companies in industries with similar forms of revenue generation where companies act as agents in transactions.

Reconciliation of Net Revenue to Gross Bookings and Net Revenue Margin:

(\$ millions, except as noted)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	Change	2024	2023	Change
Net revenue ⁽¹⁾	2.5	2.6	(4)%	11.4	9.8	16%
Costs paid to suppliers ⁽¹⁾	19.2	17.0	13%	83.4	68.6	22%
Gross Bookings ⁽¹⁾	21.7	19.6	11%	94.8	78.4	21%
Net Revenue Margin	11.5%	13.3%	(180) bps	12.0%	12.4%	(40) bps

(1) Includes intercompany transactions.

Readers are cautioned that the non-GAAP financial measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of Black Diamond's performance or cash flows, a measure of liquidity or as a measure of actual return on the shares of Black Diamond. These non-GAAP financial measures should only be used in conjunction with the consolidated financial statements of Black Diamond.

RELATED PARTY TRANSACTIONS

The amounts due to limited partners include distributions and royalties payable to the non-controlling interests. They are non-interest bearing and due on demand. The amounts due to other related parties are unsecured and are payable in cash.

The following table provides the total amount of transactions that have been entered into with related parties during the three and twelve months ended December 31, 2024 and 2023, as well as balances with related parties as at December 31, 2024 and December 31, 2023.

	Three months ended December 31,		Twelve months ended December 31,		Due to related parties as at	
	2024	2023	2024	2023	December 31, 2024	December 31, 2023
(\$ millions, except as noted)	\$	\$	\$	\$	\$	\$
Non-controlling interests						
Limited partners						
Royalties and distributions declared	0.6	0.4	2.2	2.4	(0.7)	(0.4)
Other related parties						
Purchases of goods and services	0.2	0.2	0.7	0.6	—	—

Services purchased from the entity controlled by a member of the board of directors are recorded at exchange value which management believes approximates fair value, and include sublease and servicing of generators and fuel tanks.

Key Management Personnel Compensation

	Twelve months ended December 31,	
	2024	2023
Key Management Personnel Compensation	\$	\$
Salaries, bonuses, fees and other short-term employee benefits	4.2	4.8
Share-based compensation	3.3	3.5
Total Compensation	7.5	8.3

The Company has defined key management personnel as senior executive officers and all members of the board of directors, as they have the collective authority and responsibility for planning, directing and controlling the activities of the Company. The amounts disclosed in the table above are the amounts recognized as an expense during the Year related to key management personnel.

RISKS AND UNCERTAINTIES

The operations of Black Diamond face a number of risks and uncertainties in the normal course of business that may be beyond its control, but which could have a material adverse effect on Black Diamond's financial condition, results of operations and cash flows. Many of these risk factors and uncertainties are outlined in the annual information form of Black Diamond for the year ended December 31, 2024 which is available on SEDAR+ at www.sedarplus.ca. Additional risks and uncertainties that management may be unaware of may become important factors which affect Black Diamond.

DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROLS OVER FINANCIAL REPORTING

Black Diamond's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have, as at December 31, 2024, designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that: (i) material information relating to Black Diamond is made known to Black Diamond's CEO and CFO by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by Black Diamond in its annual filings, interim filings, or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation. Under the supervision of the CEO and the CFO, Black Diamond conducted an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the CEO and the CFO have concluded that, as at December 31, 2024, our disclosure controls and procedures, as defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), was effective.

Black Diamond's CEO and CFO have designed or caused to be designed under their supervision, internal controls over financial reporting ("ICFR") for the Company to provide reasonable assurance regarding the reliability of Black Diamond's financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Black Diamond's management, under the supervision of the CEO and CFO, used the criteria and framework established in the 2013 Internal Controls - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission to design Black Diamond's ICFR. Based on this evaluation, the CEO and the CFO have concluded that as at December 31, 2024, our ICFR (as defined in NI 52-109) were effective.

Under the supervision of the CEO and the CFO, Black Diamond conducted an evaluation of the effectiveness of the Company's ICFR as at December 31, 2024. Based on this evaluation, the officers concluded that as of December 31, 2024, Black Diamond maintained effective ICFR.

Black Diamond is required to disclose herein any change in Black Diamond's ICFR that occurred during the period beginning on October 1, 2024 and ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, Black Diamond's ICFR. No material changes in Black Diamond's ICFR were identified during such period that have materially affected, or are reasonably likely to materially affect, Black Diamond's ICFR.

It should be noted that a control system, including Black Diamond's disclosure and internal controls and procedures, no matter how well conceived or operated, can provide only reasonable, but not absolute, assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

Additional information relating to Black Diamond, including Black Diamond's annual information form for the year ended December 31, 2024 is available on SEDAR+ at www.sedarplus.ca.

CRITICAL ACCOUNTING POLICIES, JUDGMENTS & ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. If the underlying estimates and assumptions upon which the consolidated financial statements are based change in future periods, actual amounts may differ from those included in the accompanying consolidated financial statements.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have a significant effect on the amounts recognized in the consolidated financial statements:

Impairment of non-financial assets

Goodwill is assessed annually for impairment. Property and equipment and intangible assets are reviewed for indicators of impairment and impairment reversal whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or that an impairment loss recognized in prior periods may no longer exist or may have decreased. An impairment review requires estimates in a variety of areas including the determination of fair value, selling costs, timing and size of forecasted cash flows, long-term growth rates, anticipated gross margin, discount rates, and other valuation variables; the application of these variables in valuation models requires judgment.

Determination of a Cash Generating Unit ("CGU")

Management's judgment is required in determining the Company's CGUs for the impairment assessment of its property and equipment, goodwill and definite life intangible assets. The CGUs have been determined considering the level of operating activities and independent cash flows generated from groups of assets. Management determined the smallest identifiable group of assets that independently generates cash inflows and whose cash flow is largely independent of the cash inflows from other assets or groups of assets as follows: Modular Space Solutions Canada East, Modular Space Solutions Canada West, Modular Space Solutions US, Workforce Solutions - Canada, Workforce Solutions - United States, Workforce Solutions - Australia, and LodgeLink.

Fair value measurement of financial instruments

Financial assets and financial liabilities that are measured at fair value are classified into levels reflecting the method used to make the measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant inputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. The inputs to these valuations are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. As a multinational group of legal entities and businesses, the Company has undertaken various cross-border transactions. These transactions are subject to the review and audit of various tax authorities. The judgment used when developing and entering into these transactions is based on existing tax policies in each jurisdiction. Future changes in tax policies may necessitate associated adjustments to tax recoveries and expenses already recorded. The Company

establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences in interpretation may arise for a wide variety of issues depending on the conditions prevailing in the respective domicile of the Company's legal entities. The Company applies judgment on the realization of future benefits from deferred tax assets using available evidence about future events, together with future tax planning strategies.

Aggregation of interest in subsidiaries

Management has used judgment in determining whether it is appropriate to aggregate the disclosures required by IFRS 12, *Disclosure of Interests in Other Entities* for Black Diamond's interests in subsidiaries. In reaching a determination, management considered such factors as its interests in the subsidiaries' nature of business, their industry classification and their geographical location.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Revenue recognition

Revenue from certain types of contracts is recognized over time, using an input method to measure progress towards complete satisfaction of the service because the customer simultaneously receives and consumes the benefits provided by the Company. In determining the progress towards complete satisfaction, estimates and assumptions are made in relation to costs incurred and the costs to complete the contracts. When the outcome of the transaction cannot be estimated reliably, estimates and assumptions are made on whether the Company will recover the transaction costs incurred.

Depreciation of property and equipment and amortization of intangible assets

For purposes of determining depreciation and amortization expense, estimates and judgments are required to establish depreciation methods, useful lives, and residual values for the Company's assets. Determining depreciation methods requires management to make judgments that most appropriately reflect the pattern of an asset's future economic benefit expected to be realized by the Company. Useful life estimates include management's assumptions regarding the period over which the asset is expected to be available for use over their physical and economic useful lives. Depreciation methods, useful lives and residual values are reviewed on an annual basis and, if necessary, any changes are accounted for prospectively.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal ("FVLCD") and its value-in-use. The FVLCD calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. If no such transactions can be identified, an appropriate valuation model is used. The Company bases its impairment calculation on estimated future cash flows. The FVLCD calculation is based on a discounted cash flow ("DCF") model. The cash flows are estimated based on historical trends including consideration of the Company's budget for the next year and does not include significant future investments that could enhance the performance of the CGU being tested. Estimates for revenue growth and EBITDA margins were based on a review of historical information for each CGU, consideration of achievable rates and utilization during the forecast period, and consideration of future prospects given management's

understanding of the operating environment. The discount rates used for each CGU were estimated based on the assumed weighted average cost of capital for a notional purchaser of each CGU. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows, margins, and the growth rate used for extrapolation purposes.

The Company is required to make judgments regarding the need for an impairment or impairment reversal at each reporting date by evaluating conditions specific to the organization that may lead to the impairment loss or impairment reversal of assets.

Asset retirement obligations

The Company has recognized a provision for asset retirement obligations associated with land leases held by the Company. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the camps from the leases and the expected timing of those costs.

Additional estimates

Other estimates that management is required to make to conform with IFRS and prepare timely consolidated financial statements include accrual of unsettled transactions, collectability of accounts receivable, recognition of provisions and contingent obligations, the estimated useful lives of property and equipment, useful lives of intangible assets and the estimated fair value of share-based awards at grant date. Accordingly, actual results may differ from estimated amounts. Management has also used judgment in the estimates used in pricing its options and long-term share-based compensation plans.

Changes in Accounting Policy and Disclosure

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 *Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 will establish a revised structure for the consolidated statements of comprehensive income and improve comparability across entities and reporting periods. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. The new standard is required to be adopted retroactively, with certain transition provisions. The Company is evaluating the impact of adopting IFRS 18 on the consolidated financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*, to provide further guidance on the timing of recognition and derecognition of financial instruments at settlement date, except for regular way purchases or sales of financial assets, and certain financial liabilities meeting conditions for a new exception which permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. Additional guidance was also provided on assessing whether a financial asset meets the solely payments of principal and interest criterion, and issued new disclosure requirements. This amendment is effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is evaluating the impact of the standard on the Company's consolidated financial statements.

The Company has not adopted these nor any other standard, interpretation or amendment that has been issued but is not yet effective.

Changes in accounting policy and disclosure

Amendments to IAS 1 Presentation of Financial Statements

In January 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify its requirements for the presentation of liabilities as current or non-current in the Statement of Financial Position. This was effective on January 1, 2024. The Company has evaluated the impact of the amendment and the adoption did not have an impact on the Company's consolidated financial statements.