

FirstService Corporation

Investors Presentation

February 2025



FirstService

Creating value one step at a time

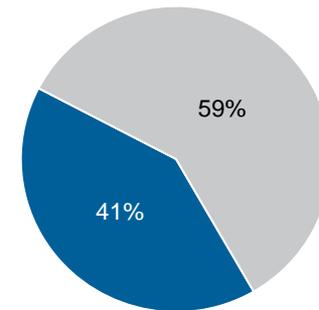
Forward Looking Statements

Certain statements included herein constitute “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, impact demand for the Company’s services, service industry conditions and capacity; the ability of the Company to implement its business strategy, including the Company’s ability to acquire suitable acquisition candidates on acceptable terms and successfully integrate newly acquired businesses with its existing businesses; changes in or the failure to comply with government regulations (especially safety and environmental laws and regulations); and other factors which are described in the Company’s filings with the Canadian securities regulators and the U.S. Securities and Exchange Commission.

FirstService Corporation Overview

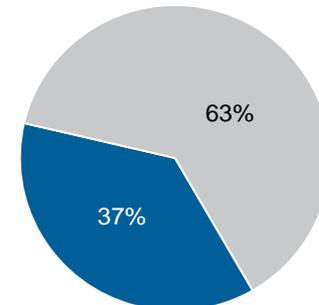
- Leader in essential outsourced property services in U.S. and Canada
 - FirstService Residential: Largest provider of residential community and amenity management services
 - FirstService Brands: One of the largest providers of essential property services
- 2024 Revenue: \$5.2BN
- 2024 Adjusted EBITDA⁽²⁾: \$514MM
- Geographic Revenue Split: 88% U.S. / 12% Canada
- 30,000 Employees
- Dual-listing on TSX and NASDAQ (Ticker: FSV)
- US\$1.10 per share annual dividend

Revenue by Division (2024)



■ FirstService Residential ■ FirstService Brands

EBITDA by Division (2024)⁽¹⁾



■ FirstService Residential ■ FirstService Brands

(1) Excludes unallocated corporate costs.

(2) See Appendix slide for reconciliation of GAAP Earnings to Adjusted EBITDA

Proven Business Model

Strategic Focus

10% annual average top-line growth; driven equally by organic growth and tuck-under acquisitions

Leader in Very Large Markets

Modest yet leading market shares; significant room for further growth

Service Excellence Culture

Strong client retention; repeat business; referrals

High Proportion of Contractual Revenue

Highly predictable and recurring cash flow

Modest Capex

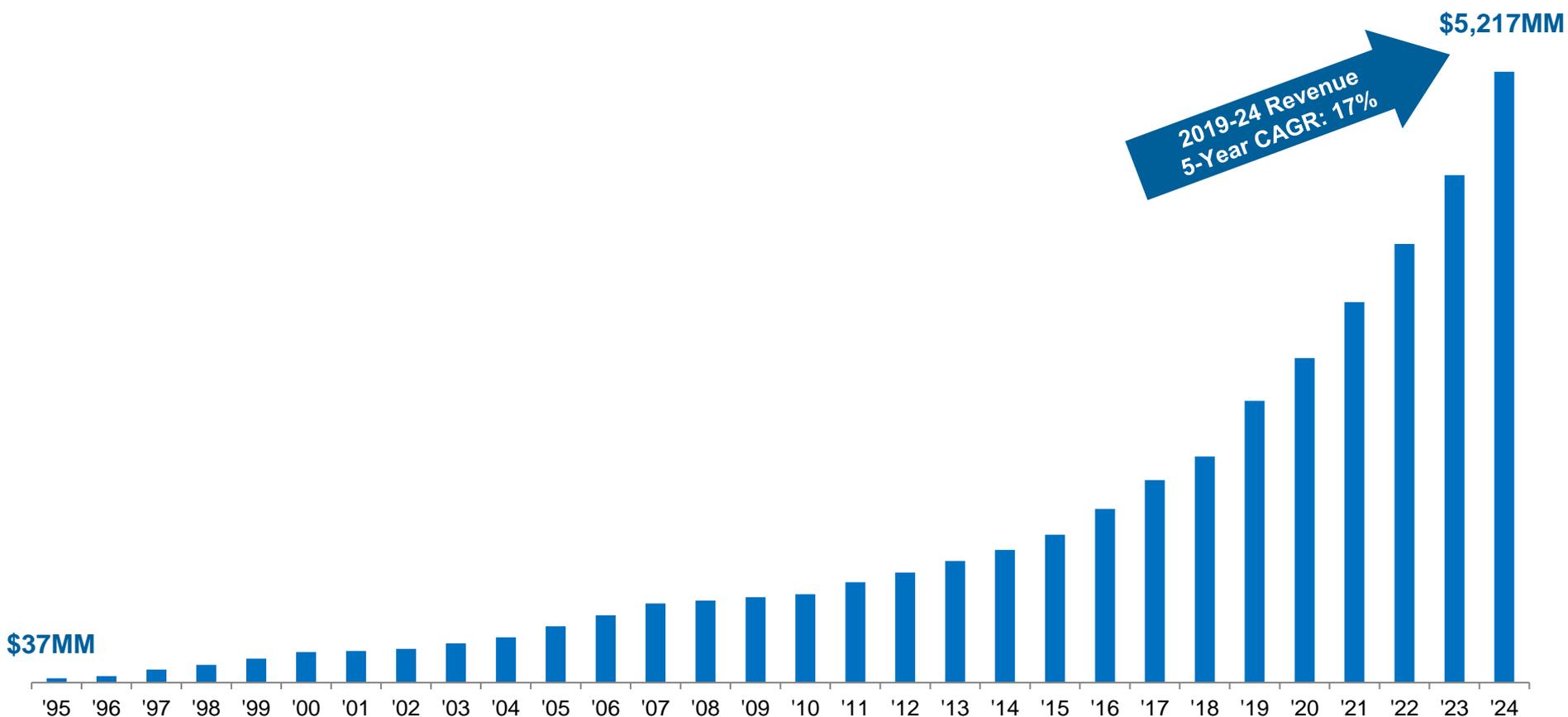
Strong free cash flow and returns on capital

Conservative Balance Sheet

Low financial leverage; well-capitalized to fund growth

Almost Three Decades of Consistent Growth

>25 Years Revenue Compounded Annual Growth: 19%
Organic Growth: >50%



FirstService Residential – What We Do

Management Contracts

- Condominiums / Co-Operatives
- Homeowner Associations
- Master-Planned
- Active Adult / Life-Style
- High-Rise, Low-Rise, Townhouse, Single Family Home
- Multi-family / Rental
- Mixed-Use Properties (Residential / Commercial)
- Amenity / Aquatic Facilities
- Advisory / Project Management



Broad Range of Services

Traditional

- Property Management
- Development Consulting
- Client Budget (collection & disbursements)
- Governance Oversight

On-Site Staff

- Facility Maintenance & Engineering
- Front Desk / Concierge
- Pool & Amenity Management
- Food & Beverage

Transaction

- Transfers & Disclosures; Collections
- Financial Products (banking, insurance)
- Energy Management / Procurement

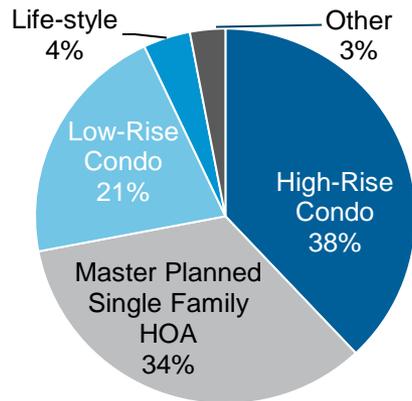


FirstService Residential – Profile

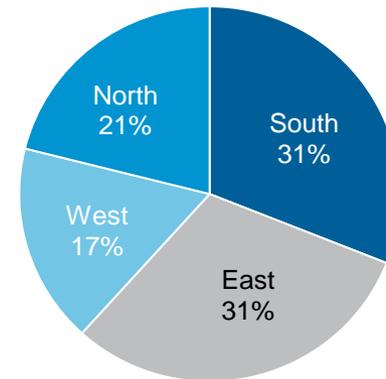
2024 Revenues:	\$2.1BN	Scale enhances competitive position
No. of Communities:	9,000+ total (3,800 high-rise condos)	Diversified clients & properties with specialized operating expertise
Contract Retention Rate:	Mid-90%+	Sticky customer base; Consistent cash flow profile
Geographic Footprint:	100 Offices; 25 Regional Markets	North American coverage
No. of Employees:	20,000	Full service capabilities

FirstService Residential – Diversified Operations

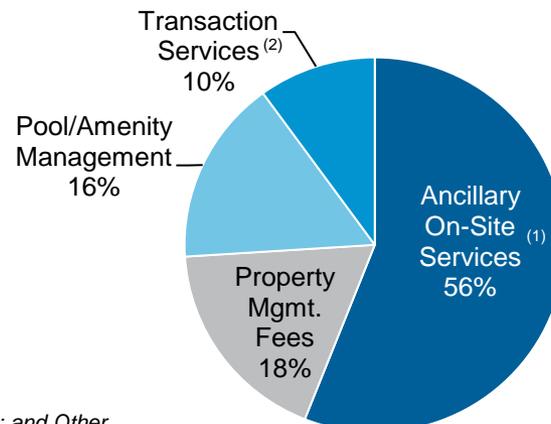
Breakdown by Property Type



2024 Revenue By Region (\$2.1BN Total)



2024 Revenue By Service (\$2.1BN Total)



(1) Includes Engineering; Front Desk; Maintenance; and Other.

(2) Includes Transfers & Disclosures; Collections; and Financial Products.

FirstService Residential – Condo/HOA Market Opportunity

Total # of community associations:	395,000	
Total # of housing units:	31MM	We Have ~6-8% Share in a Sizeable Market⁽¹⁾
Assessments collected from homeowners:	\$160 BN⁽²⁾	
Community association management companies:	9,000 – 10,000	Fragmented Industry
Percent of self-managed community associations:	35%	Conversion Opportunity
Percent of U.S. homes in community associations:	23%	Growing Trend Towards HOA Development
New homes sold in HOAs:	81%	

Source: Community Associations Institute (2024).

(1) Based on CAI data for U.S. market, plus an estimate for Canadian market.

(2) Assessments include: (a) operating funds for many essential association obligations, including professional management services, utilities, security, insurance, common area maintenance, landscaping, capital improvement projects, and amenities like pools and club houses; and (b) reserve funds for repair, replacement and enhancement of property (e.g. replacing roofs, resurfacing streets, repairing pools/elevators/other, meeting new environmental standards, and implementing new energy-saving features).

FirstService Brands – What We Do

- Leading provider of eight branded essential property services to commercial and residential customers through company-owned operations and franchised systems



CALIFORNIA CLOSETS®



FirstService Brands – Profile

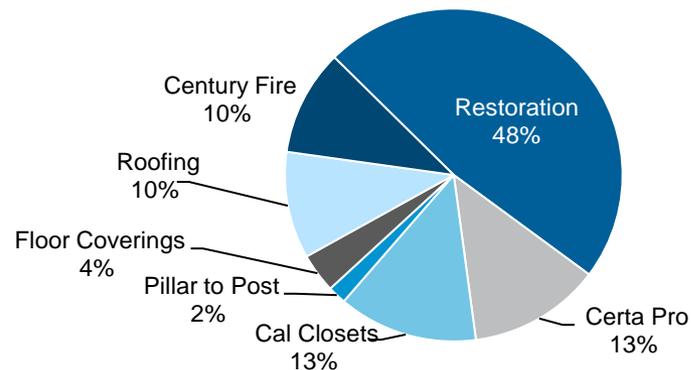
2024 Revenue Summary

\$5.4BN System-Wide Sales (SWS)

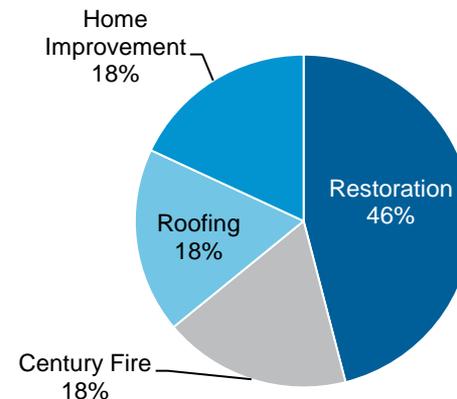
\$3.1BN FirstService Brands Division Revenue

- **\$2.9BN (93%) Company-Owned Revenue**
- **\$225MM (7%) Franchise/Royalty-Based Revenue**

2024 SWS By Brand (\$5.4BN)



2024 Division Revenue (\$3.1BN)



Property Restoration – Profile

Market Leading
Platforms:



80% Commercial

**Breadth and scale to jointly
handle any size loss across any
property type**



80% Residential

2024 Revenues:

\$2.6BN Overall System-Wide Sales

**North American leader in
overall Property Restoration
market**

No. of Branches:

480 Branches

**National footprint increases
timely response to clients**



Roofing Corp of America Acquisition



Transaction Snapshot and Company Profile

Transaction Structure

- Closed mid-December, 2023
- Acquired >90% shares; senior management retained balance of equity

Purchase Price

- \$413MM in cash

Full-Service Offering

- Re-Roofing; Repair & Maintenance; New Roof Installations

Geographic Footprint

- 16 Branches across 11 states
- Sun belt, Mid-Atlantic, Midwest and West regions
- HQ in Atlanta Georgia

No. Employees

- ~1,000 full-time trained personnel

Annual Financials

- \$400MM Revenues; Low Double-Digit EBITDA Margin

Revenue Segmentation

- 90% Commercial; 10% Residential
- 2/3 Recurring/Re-Occurring (Re-Reroof; R&M); 1/3 New Roof Installations

Roofing Corp of America Acquisition (cont'd)



Attractive Commercial Roofing Market Opportunity

Very Large Market

- \$45BN market

Leadership Position

- Top 5 Player in North America
- Scale with broad geographic footprint

Market Dynamics

- Non-discretionary, non-deferrable essential property service

Organic Growth Drivers

- Replacement cycles and preventative repair/maintenance
- Growth of built environment
- Adjacent strategic fit with our Restoration brands

Highly Fragmented Market

- Market leaders command minimal shares (~1-2%)
- Tuck-under acquisition activity

FirstService Brands – Leaders in Huge Markets

Brand	U.S. Market	Our Position	Market Share
 FIRST ONSITE <small>PROPERTY RESTORATION</small>	\$60 Bn	#2	4%
 PAUL DAVIS <small>RECOVER • RECONSTRUCT • RESTORE</small>			
 ROOFING CORP <small>OF AMERICA</small>	\$45 Bn	#3	1%
 Century <small>Fire Protection</small>	\$12 Bn	#1 (Southeast U.S.)	4%
CALIFORNIA CLOSETS®	\$6 Bn	#1	12%
 CertaPro Painters	\$50 Bn	#1	1%
 FLOOR COVERINGS <i>international</i>	\$65 Bn	#1 (Franchised)	<1%
 PILLAR TO POST <small>HOME INSPECTORS</small>	\$3 Bn	#1	3%



Growth Strategy

Organic Growth

1

Focus on Customer Retention & Referral

2

Leverage Differentiators to Drive New Business

3

Continue to Expand our Ancillary Services

Acquisition Growth

1

Expand Company-Owned Portfolio

2

New Geographies; In-Market Tuck-Unders

3

Property Management Ancillary Services

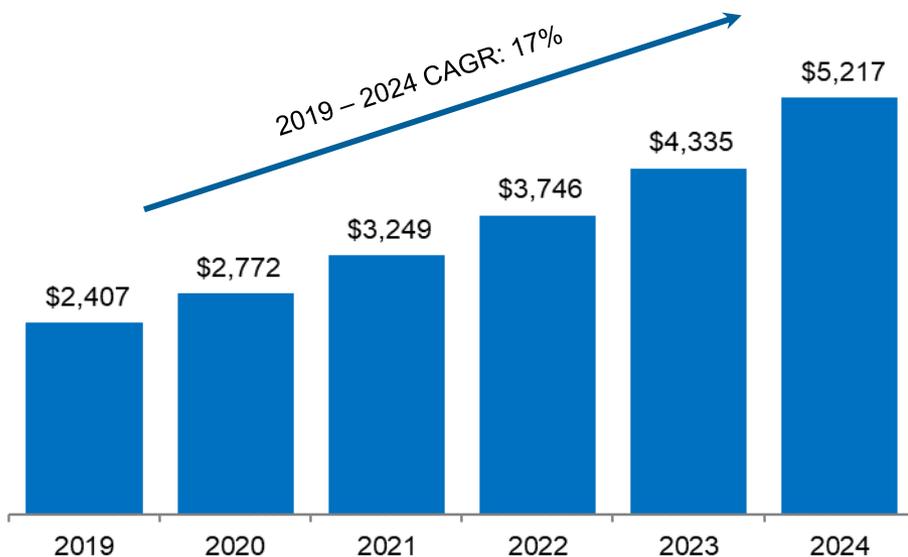
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Complementary Essential Property Service Lines

Strong Historical Performance

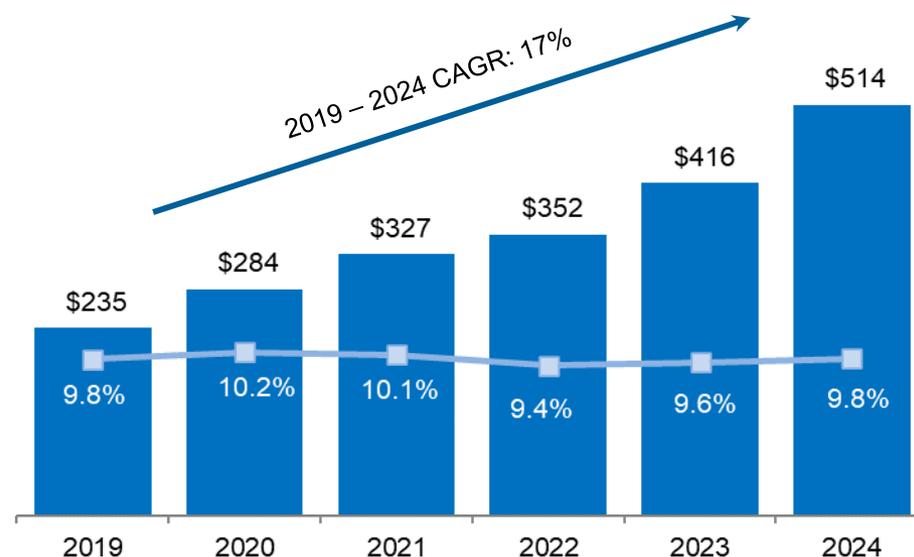
Revenues

(\$ in millions)



Adjusted EBITDA⁽¹⁾

(\$ in millions)



Recurring revenue model with strong organic growth underpinning top-line performance...

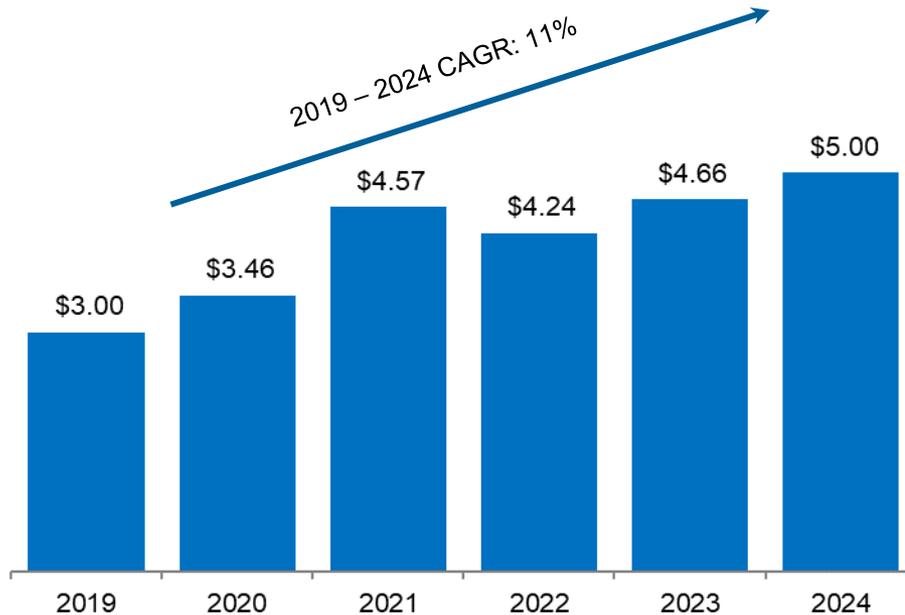
...with comparable operating cash flow and earnings growth

(1) Adjusted EBITDA as presented above is a non-GAAP measure. Investors should consider non-GAAP measures in addition to, not as a substitute for, the comparable GAAP measures. Please visit www.sedarplus.ca to view our annual and interim MD&As, under Reconciliation of non-GAAP financial measures, for each of the above mentioned periods for a description of each non-GAAP measure as well as the reconciliations to GAAP measures.

Strong Historical Performance (cont'd)

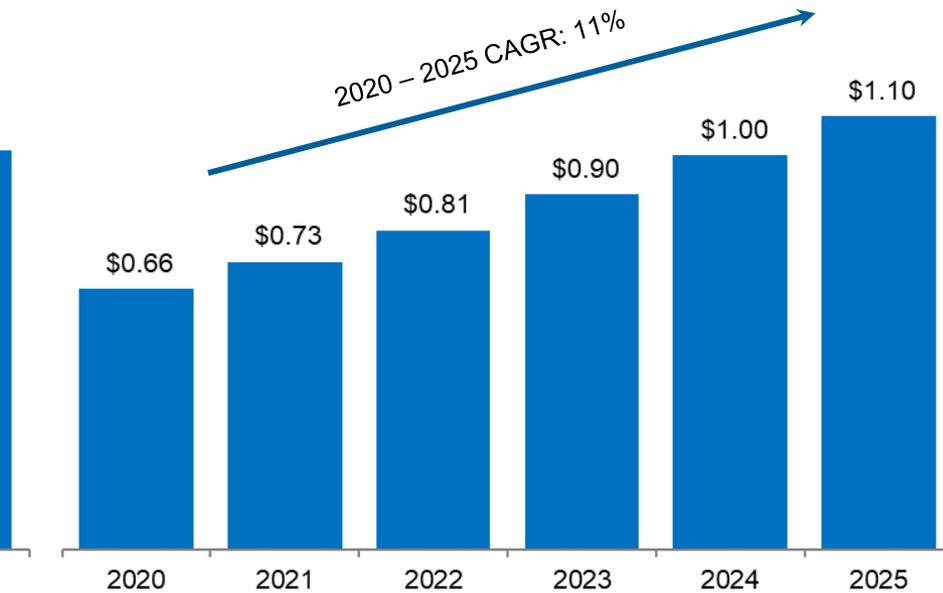
Adjusted EPS⁽¹⁾

(US\$)



Annual Dividends

(US\$)



Strong earnings growth has also supported...

...175% cumulative dividend growth since 2015

(1) Adjusted EPS as presented above is a non-GAAP measure. Investors should consider non-GAAP measures in addition to, not as a substitute for, the comparable GAAP measures. Please visit www.sedarplus.ca to view our annual and interim MD&As, under Reconciliation of non-GAAP financial measures, for each of the above mentioned periods for a description of each non-GAAP measure as well as the reconciliations to GAAP measures.

Capital Structure Summary

Attractive Unsecured Lending Arrangements

- \$1.75BN Bank Credit Facility (+\$250MM Accordion) (5-Yr Term Expiring Feb/30)
- \$60MM Senior Notes – 4.5% coupon long-term maturity (2032)
- \$125MM Senior Notes ~5.5% coupon area, long term maturity (2029 – 2031)

Leverage and Liquidity

	31-Dec-23	31-Dec-24 ⁽³⁾
Net Debt / EBITDA ⁽¹⁾	2.1x	2.0x
Total Liquidity (\$ MM) ⁽²⁾	\$343	\$861

(1) Expressed as Net Debt / Trailing 12 Months Adjusted EBITDA, including annualized contribution from acquisitions.

(2) Reflects cash on hand plus availability under Revolving Bank Credit Facility.

(3) Total Liquidity reflects increased Revolving Bank Credit Facility announced on February 26, 2025.

FirstService – A Compelling Investment Opportunity

Market

Leadership Position

- Leader in large and highly fragmented essential, outsourced property services markets
 - Scale advantage, proprietary products / services and national coverage are competitive differentiators which are difficult to replicate
-

Attractive

Financial Profile

- Long and consistent track record of strong growth
 - Diversified portfolio of brands with highly predictable and recurring revenue streams
 - Low CapEx and working capital requirements drive strong free cash flow
 - Conservative balance sheet
-

Compelling

Growth Prospects

- Significant organic growth opportunities
 - Leveraging differentiators to drive contract wins
 - Leading yet modest shares in huge markets
 - Margin enhancement potential
 - Proven, disciplined acquisition strategy
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Appendix

Reconciliation of GAAP Earnings to Adjusted EBITDA

(in thousands of US dollars)

	Three months ended		Twelve months ended	
	December 31		December 31	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net earnings	\$ 50,179	\$ 23,783	\$ 187,774	\$ 147,021
Income tax	19,153	12,051	70,124	56,317
Other income, net	(863)	(595)	(3,239)	(5,810)
Interest expense, net	21,146	12,823	82,853	47,364
Operating earnings	89,615	48,062	337,512	244,892
Depreciation and amortization	47,828	33,872	165,269	127,934
Acquisition-related items	(5,272)	16,485	(14,402)	21,517
Stock-based compensation expense	5,685	4,924	25,311	21,385
Adjusted EBITDA	\$ 137,856	\$ 103,343	\$ 513,690	\$ 415,728

Appendix

Reconciliation of GAAP Earnings to Adjusted Net Earnings and Adjusted Earnings Per Share

(in thousands of US dollars)

	Three months ended		Twelve months ended	
	December 31		December 31	
	2024	2023	2024	2023
Net earnings	\$ 50,179	\$ 23,783	\$ 187,774	\$ 147,021
Non-controlling interest share of earnings	(3,639)	(3,925)	(15,624)	(14,140)
Acquisition-related items	(5,272)	16,485	(14,402)	21,517
Amortization of intangible assets	22,331	13,942	72,396	54,238
Stock-based compensation expense	5,685	4,924	25,311	21,385
Income tax on adjustments	(8,125)	(4,905)	(28,335)	(19,662)
Non-controlling interest on adjustments	(206)	(665)	(693)	(1,517)
Adjusted net earnings	\$ 60,953	\$ 49,639	\$ 226,427	\$ 208,842

(in US dollars)

	Three months ended		Twelve months ended	
	December 31		December 31	
	2024	2023	2024	2023
Diluted net earnings per share	\$ 0.71	\$ 0.14	\$ 2.97	\$ 2.24
Non-controlling interest redemption increment	0.31	0.30	0.83	0.72
Acquisition-related items	(0.11)	0.36	(0.31)	0.47
Amortization of intangible assets, net of tax	0.34	0.23	1.11	0.88
Stock-based compensation expense, net of tax	0.09	0.08	0.40	0.35
Adjusted EPS	\$ 1.34	\$ 1.11	\$ 5.00	\$ 4.66