

NYSE: BV

BrightView Investor Presentation

July 2024

Disclaimer

Forward-Looking Statements

This presentation contains forward looking statements within the meaning of the safe harbor provision of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. All statements, other than statements of historical facts, contained in this presentation, including statements concerning our plans, objectives, goals, beliefs, business outlook, business trends, expectations regarding our industry, strategy, future events, future operations, future liquidity and financial position, future revenues, projected costs, prospects, plans and objectives of management, and other information, may be forward-looking statements. Words such as "outlook," "guidance," "projects," "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "continues," or "anticipates," and variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not historical facts or guarantees of future performance and are based upon our current expectations, beliefs, estimates and projections, and various assumptions, many of which, by their nature, are uncertain and beyond our control. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that such expectations, beliefs and projections will result or be achieved and actual results may vary materially from what is expressed in or indicated by the forward-looking statements. Some of the key factors that could cause actual results to differ from our expectations include risks related to: general business, economic, and financial market conditions; increases in raw material costs, fuel prices, wages and other operating costs, and changes in our ability to source adequate supplies and materials in a timely manner; competitive industry pressures; the failure to retain current customers, renew existing customer contracts and obtain new customer contracts; the failure to enter into profitable contracts, or maintaining customer contracts that are unprofitable; a determination by customers to reduce their outsourcing or use of preferred vendors; the dispersed nature of our operating structure; our ability to implement business strategies and achieve growth objectives; the possibility that the anticipated benefits from acquisitions will not be realized in full or at all or may take longer to realize than expected; the possibility that costs or difficulties related to the integration of acquired businesses' operations will be greater than expected and the possibility that integration efforts will disrupt our business and strain management time and resources; the potential impact on revenues and profitability caused by any disposition of assets or discontinuation of business lines; the seasonal nature of our landscape maintenance services; our dependence on weather conditions and the impact of severe weather and climate change; disruptions in our supply chain and changes in our ability to source adequate supplies and materials in a timely manner; any failure to accurately estimate the overall risk, requirements, or costs when we bid on or negotiate contracts that are ultimately awarded to us; the conditions and periodic fluctuations of real estate markets, including residential and commercial construction; the level, timing and location of snowfall; our ability to retain or hire executive management and other key personnel and particularly reflecting competition for talent in light of non-compete rule making and legislation; our ability to attract and retain field and hourly employees, trained workers and third-party contractors and re-employ seasonal workers; any failure to properly verify employment eligibility of employees; subcontractors taking actions that harm our business; our recognition of future impairment charges; laws and governmental regulations, including the associated financial impact related to employees, wage and hour, immigration, human health and safety and transportation; environmental, health and safety laws and regulations, including regulatory costs, claims and litigation related to the use of chemicals and pesticides; the distraction and impact caused by litigation, adverse litigation judgments and settlements resulting from legal proceedings; tax increases and changes in tax rules; accidents involving employees; any failure, inadequacy, interruption, security failure or breach of our information technology systems; compliance with data privacy requirements; our ability to adequately protect intellectual property; restrictions imposed by our debt agreements that limit our flexibility in operating our business; increases in interest rates governing our variable rate indebtedness increasing the cost of servicing our indebtedness; our ability to generate sufficient cash flow to satisfy our debt obligations; our ability to obtain additional financing to fund working capital, capital expenditures, investments or acquisitions, or other general corporate requirements; risks related to counterparty credit worthiness or non-performance of the derivative financial instruments; any future sales, or the perception of future sales, by us or our affiliates, which could cause the market price for our common stock to decline; the ability of KKR BrightView Aggregator L.P., Birch-OR Equity Holdings, LLC and Birch Equity Holdings, LP to exert significant influence over us; the fact that the holders of our Series A Preferred Stock may have different interests from and vote their shares in a manner deemed adverse to, holders of our common stock; the dividend, liquidation, and redemption rights of the holders of our Series A Preferred Stock; occurrence of natural disasters, terrorist attacks, or other external events; occurrence of public health emergencies; inflation, geopolitical conflicts, recession, financial market disruptions and other economic conditions; our ability to pursue and achieve environmental, social and corporate governance goals and targets and the possibility that complying with such standards and meeting our goals may be significantly more costly than anticipated; and costs and requirements imposed as a result of maintaining compliance with the requirements of being a public company. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found under "Item 1A. Risk Factors" in our Form 10-K for the fiscal year ended September 30, 2023, and such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission, which are accessible on the SEC's website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. Any forward-looking statement made in this press release speaks only as of the date on which it was made. We undertake no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, any change in assumptions, beliefs or expectations or any change in circumstances upon which any such forward-looking statements are based, except as required by law.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, such as "Adjusted EBITDA", "Adjusted EBITDA Margin", "Adjusted Net Income", "Free Cash Flow", Total Financial Debt", "Total Net Financial Debt" and "Total Net Financial Debt to Adjusted EBITDA ratio", designed to complement the financial information presented in accordance with U.S. GAAP because management believes such measures are useful to investors. These non-GAAP financial measures should be considered only as supplemental to financial measures provided in accordance with GAAP. Please refer to the appendix of this presentation for a reconciliation of the historical non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP. Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures. For the same reasons we are unable to address the probable significance of the unavailable information, which could have a potentially unpredictable and potentially significant impact on our future GAAP financial results.

BrightView – much more than just mowing

BrightView

Inspiring People. Nurturing Landscapes.

MAINTENANCE

- Mowing
- Gardening
- Mulching
- Snow services
- Tree care
- Water management & irrigation
- Sweeping & parking lot services
- Landscape installation
- Disaster recovery
- Sports fields
- Golf course maintenance
- Landscape design

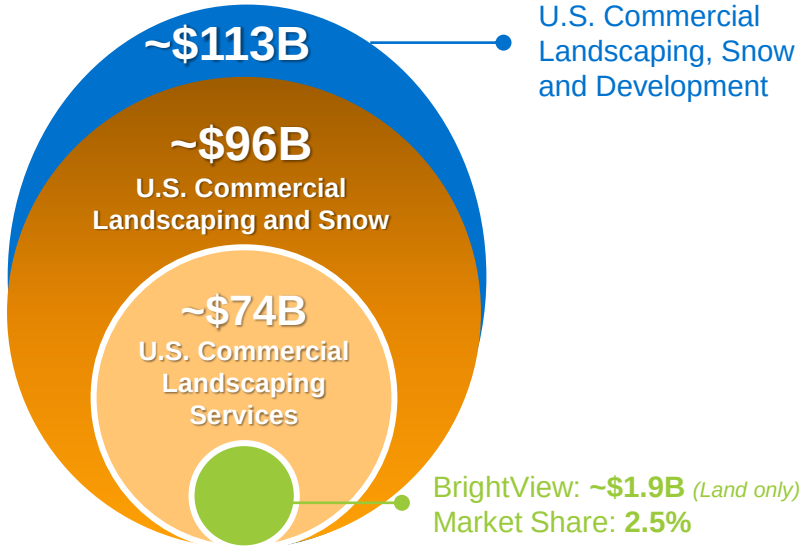
DEVELOPMENT

- Design + predev
- Landscape installation
- Masonry + concrete
- Hardscape Installation
- Irrigation systems
- Pools + water features
- Soil mixing + testing
- Sports field installation

BrightView today

	MAINTENANCE	DEVELOPMENT
FY'23 Revenue $2.8B	**$2.1 BILLION** 	**$0.7 BILLION** 
Business Overview & Highlights	**Essential commercial landscaping & snow services** • Predictable recurring revenue model • Non-discretionary and resilient service • Broad offering of ancillary services	**Landscape architecture & development services** • New landscapes / large-scale redesign projects • Horticultural and design thought-leadership • Complex and high-profile projects

Opportunity abounds in a large & fragmented market



- **Stable, non-discretionary & versatile** nature of service
- **Resilient revenue** from focus on industry's **Top Quartile**
- BrightView land market share **>2% for last 5 years**
- Overall market grows **~2% annually**

Source: IBIS Industry Reports, Landscaping (June 2022) and Snow Removal (June 2023)

Recurring Revenue
+
Scalable Business Model
+
Accretive M&A
=

Significant Shareholder Value Opportunity



We are the #1 player in a growing Industry with Revenues 5x our next largest competitor

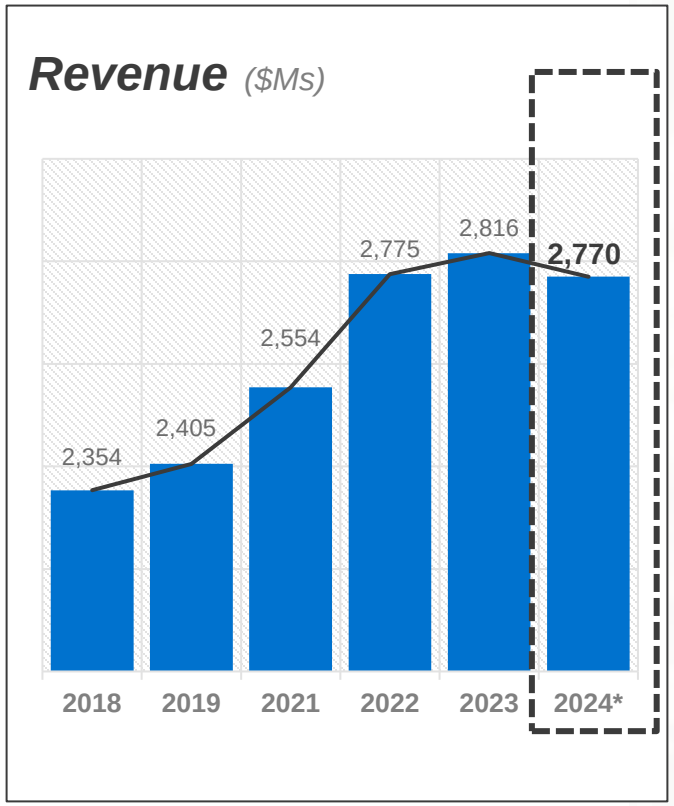
Challenges since 2018 IPO; strategic shifts to unlock significant value

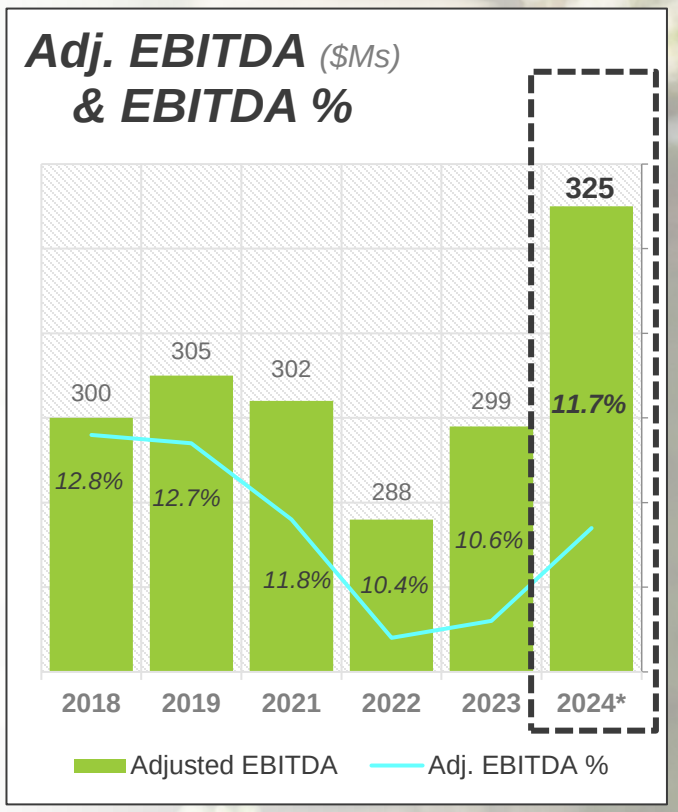
IPO thru 2022	2023 & Beyond
Inconsistent **organic growth** masked by M&A	Focus on long-term **profitable growth** & emphasis on **core**
Significant M&A with **minimal EBITDA conversion**	**Acquirer of choice** focused on strategy, culture & returns
Decentralized structure & **rising costs** yield **margin dilution**	Redefined support structure enabling **scalable growth;** pricing efforts combat inflation
Highly Levered & **inefficient allocation of capital**	**De-levered** to lowest point since IPO**;** positioned for **efficient capital deployment**

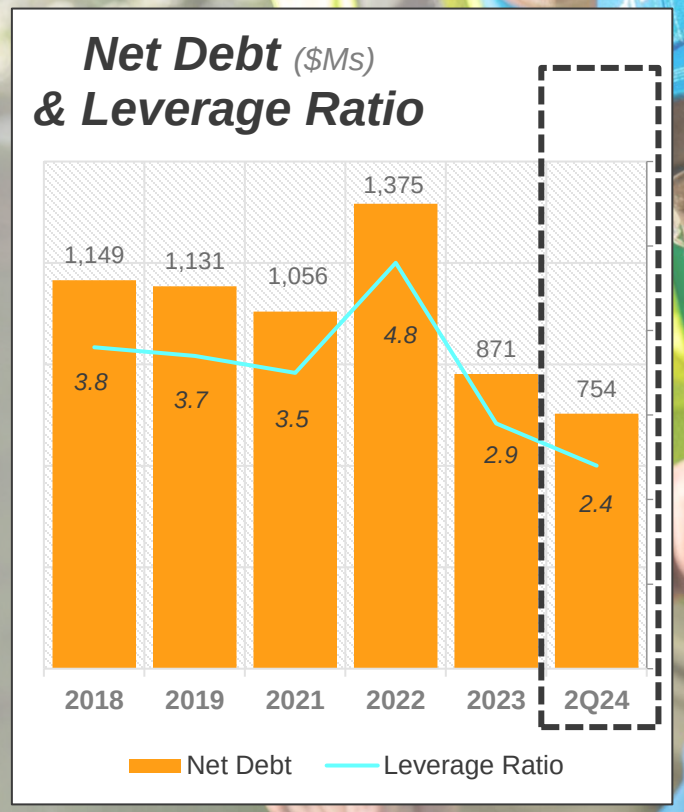
Significant Value Creation Opportunity by Leveraging Scale as #1 Player in the Industry



Strategic pivots position FY24 as Breakthrough year







*Midpoint of FY24 Financial Guidance as of May 2024 Earnings Call; FY24 revenue reflects divested franchise business and unwinding of non-profitable subcontractor business (FY24 impact: ~$10M and ~$60M, respectively. Refer to slide 16 for detail on subcontractor business)
NOTE: FY20 excluded from above due to atypical results related to COVID pandemic

Strategic Pivots Enable Long-Term Profitable Growth & Value Creation

Key value unlock through operating as One BrightView



Employer of Choice

Prioritize employees and BrightView winning culture

Investment in fleet and capabilities

Reinvestment to drive organic growth and operational efficiency

Align & optimize organizational structure to breakdown existing silos



Customer First

Focused on being the partner of choice

Deliver efficient, collaborative, and unified service

Strengthen and develop existing relationships

Target strategic and large accounts

Emphasize core businesses & deemphasize non-core businesses



Accretive M&A

Establish foundation and deliver on integration

Strategic allocation of capital

1 + 1 = 3

Leverage size & scale; evaluate Greenfield and Adjacent Services

Acquirer of choice focused on strategy, culture and returns

Operating as One BrightView to generate profitable growth and unlock significant long-term shareholder

FY24 Strategic Changes

Key Investments to Drive Profitable Growth

Better Culture = Better Customer Service = Service Provider of Choice

- **Trucks** ✓
- **Mowers** ✓
- **Boots** ✓



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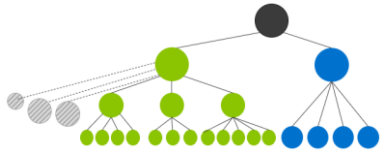
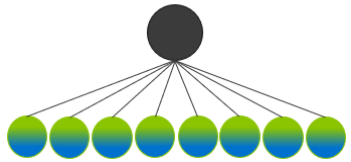
Streamlined Operating Structure

Legacy Structure



- 4 Divisions
- 16 Regional Leaders
- ~ 40 Market Leaders
- *Standalone Sales Organization*
- *Siloed Specialty Businesses* (i.e. BES, Golf, US Lawns & Tree)

New Structure



- **Elimination of Division Layer ⊗**
- **8 Regional Leaders covering same geography**
- **~ 20 Market Leaders covering same geography**
- ***Sales & Ops Integrated into Branch; New growth-focused leadership***
- ***Golf & Tree integrated into branches; Non-core businesses divested/unwound***

A unified One BrightView positions us to **focus on the customer** and become the clear **provider of choice**

Positioned to Drive Profitable Growth…

Going to market as One BrightView and leveraging our size and scale to unlock opportunities to drive profitable growth



Cross-Selling Opportunity

Untapped opportunity as we go-to-market as One BrightView

Converting Development into recurring Maintenance

Goal:
Grow New Sales



Unwavering Focus on Customers

Providing best-in-class service to our customers

Improved customer communication

Offload non-customer facing tasks from our branches

Goal:
Improve Customer Retention



Maximizing Total Addressable Market

Strategic sales to maximize route density

Consistent service offering across branch network

Target strategic and large accounts

Goal:
Gain Market Share

Profitable Growth





QUESTIONS & ANSWERS

Appendix

FY24 Updated Guidance (as presented on May'24 call)

Reaffirming FY24 Midpoint EBITDA Guidance & Raising Free Cash Flow and Margin

Metric	Prior Guidance	Updated Guidance
Total Revenue	$2.825B to $2.975B	$2.740B to $2.800B
Adjusted EBITDA	$310M to $340M	$315 to $335M
Adj. EBITDA Margin	+40bps to +80bps	+90bps to +130bps
Free Cash Flow [1]	$45M to $75M	$55M to $75M

Revenue

Margin Expansion

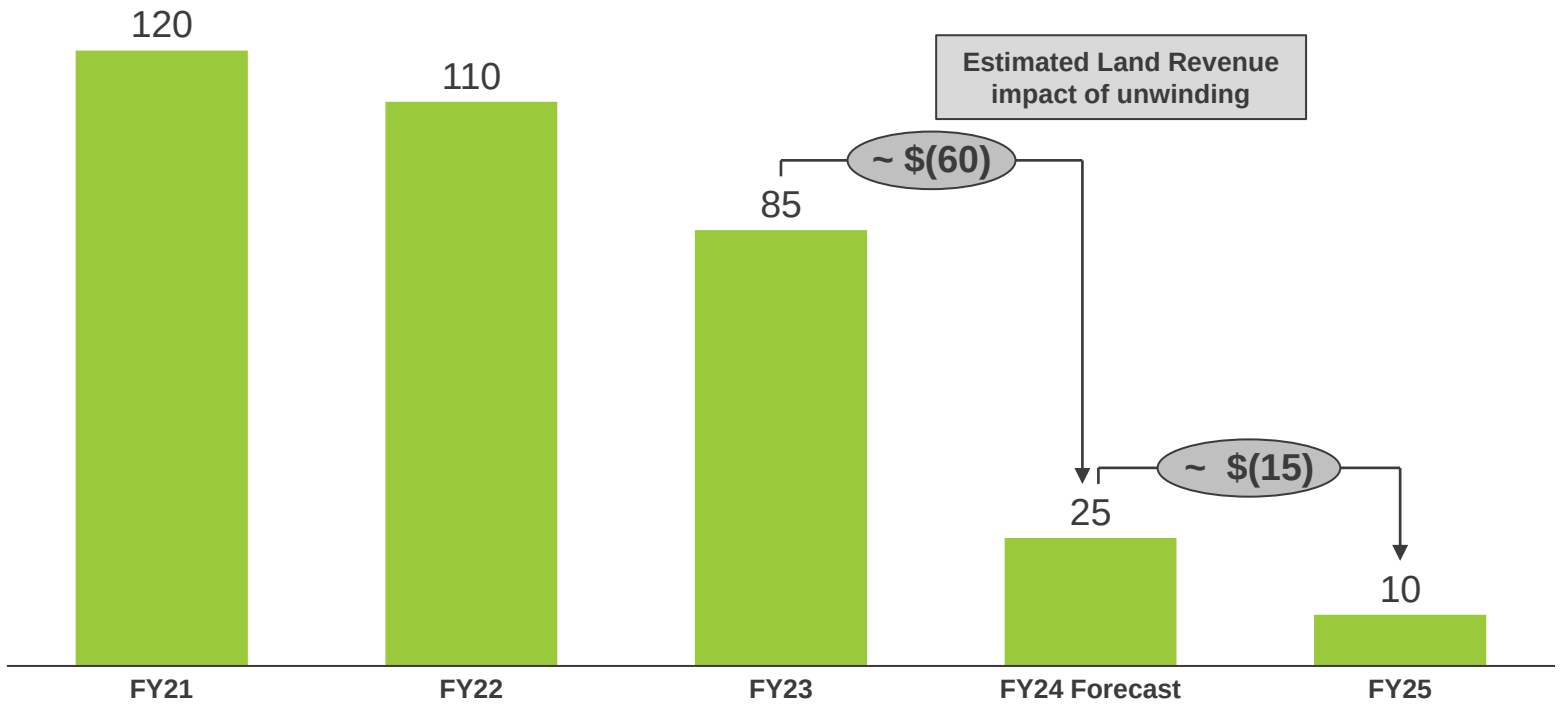
Updated Assumptions for Revenue & Margin		
	Prior Assumption	**Current Assumption**
BES Unwind / US Lawns divestiture	--	**~($70M)**
Snow Revenue	*$210M to $270M*	**~$215M**
Development Revenue Growth	*~+2% to +5%*	***~+2% to +5%***
Core Land Revenue Growth	*~(2%) to +2%*	**~(2%) to ~(1%)**
M&A	*Minimal (~ $10M-$15M)*	**Zero**
Maintenance	*~ +20 to +60bps*	***~ +60 to 110bps***
Development	*~ +20 to +50bps*	***~ +20 to 70bps***
Corporate	*Assumed leverage in corporate*	***~ +10 to 30bps***

1. Free Cash Flow guidance assumes Net CapEx intensity: ~3.5% of total revenue, cash interest: ~6.75% to 7.25% on debt, interest expense: ~80% fixed at $60M to $70M

Non-Core Aggregator Business Unwind (BES) – from May.24 earnings call

Subcontractor

Actively unwinding non-core, unprofitable subcontractor business



Delivering on:

- Improving customer service and brand reputation
- Focus on higher quality relationships
- Focus on self-perform services for our customers

Above reflects Land only and excludes Snow business; figures are approximations

FY24 impact: ~ zero EBITDA $'s; anticipated annualized Margin Benefit of ~20 bps

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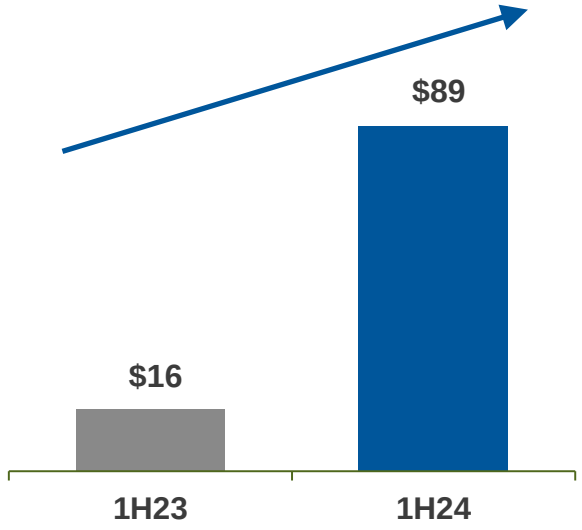
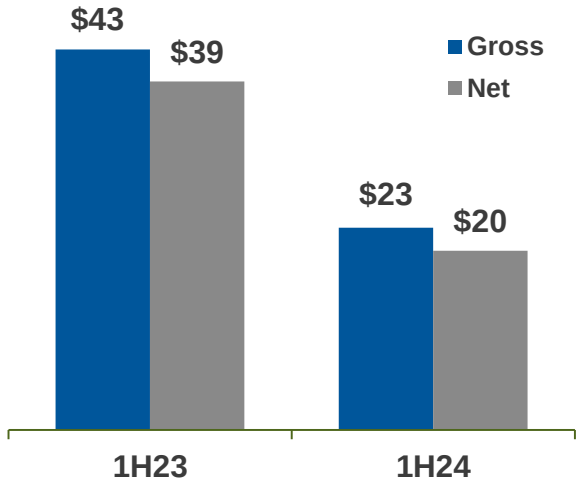
Reduced Leverage & Increased Cash Generation

$ in millions

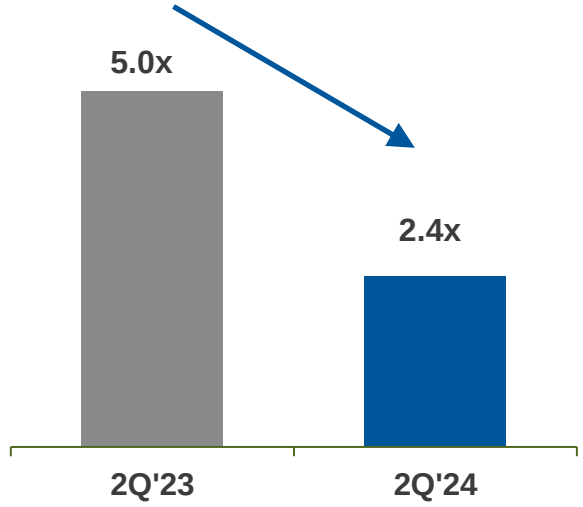
Free Cash Flow



Capital Expenditures[1]



Leverage[2]



Free Cash Flow

Improved net working capital and timing of capex

CapEx Spend

Levels reflect timing within the year

Committed to investing in fleet & equipment

Net Financial Debt

2Q23 $1,398M

2Q24 $754M

Improved Profitability & Liquidity + Reduced Interest = Strategic Flexibility

[1] Net capital expenditures includes proceeds from sale of property & equipment

[2] Net Debt includes total long-term debt, net of original issue discount, and capital lease obligations net of cash and equivalents

See the "Non-GAAP to GAAP Reconciliation" in the Appendix of this presentation for a reconciliation to the most directly comparable GAAP measure

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Non-GAAP to GAAP Reconciliation

(in millions)*	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Six Months Ended March 31, 2024	Six Months Ended March 31, 2023
Adjusted EBITDA				
Net income (loss)	$ 33.7	$ (22.0)	$ 17.3	$ (40.9)
Plus:				
Interest expense, net	16.0	27.7	33.0	50.9
Income tax expense (benefit)	13.3	(7.7)	7.6	(13.2)
Depreciation expense	26.1	27.4	51.7	54.5
Amortization expense	8.7	11.0	18.8	22.9
Business transformation and integration costs (a)	6.1	4.1	16.9	8.7
Gain on divestiture (b)	(43.9)	—	(43.9)	—
Equity-based compensation (c)	4.8	6.3	10.1	12.0
COVID-19 related expenses (d)	—	—	—	0.4
Adjusted EBITDA	**$ 64.8**	**$ 46.8**	**$ 111.5**	**$ 95.3**
Adjusted Net Income (Loss)				
Net income (loss)	$ 33.7	$ (22.0)	$ 17.3	$ (40.9)
Plus:				
Amortization expense	8.7	11.0	18.8	22.9
Business transformation and integration costs (a)	6.1	4.1	16.9	8.7
Gain on divestiture (b)	(43.9)	—	(43.9)	—
Equity-based compensation (c)	4.8	6.3	10.1	12.0
COVID-19 related expenses (d)	—	—	—	0.4
Income tax adjustment (e)	7.5	(6.1)	0.8	(11.1)
Adjusted Net Income (Loss)	**$ 16.9**	**$ (6.7)**	**$ 20.0**	**$ (8.0)**
Free Cash Flow				
Cash flows provided by operating activities	$ 83.2	$ 84.6	$ 109.5	$ 55.0
Minus:				
Capital expenditures	12.6	15.5	22.7	42.7
Plus:				
Proceeds from sale of property and equipment	1.4	2.3	2.6	3.6
Free Cash Flow	**$ 72.0**	**$ 71.4**	**$ 89.4**	**$ 15.9**
Adjusted Earnings per Share				
Numerator:				
Adjusted Net Income (Loss)	$ 16.9	$ (6.7)	$ 20.0	$ (8.0)
Denominator:	—	—	—	—
Weighted average number of common shares outstanding – basic	94,436,000	93,475,000	94,210,000	93,362,000
Plus:				
Dilutive impact of Series A convertible preferred stock as-converted	54,242,000	—	53,774,000	—
Adjusted weighted average number of common shares outstanding	148,678,000	93,475,000	147,984,000	93,362,000
Adjusted Earnings per Share	**$ 0.11**	**$ (0.07)**	**$ 0.13**	**$ (0.09)**

(*) Amounts may not total due to rounding.

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Non-GAAP to GAAP Reconciliation (cont.)

(a) Business transformation and integration costs consist of (i) severance and related costs; (ii) business integration costs and (iii) information technology infrastructure, transformation costs, and other.

(in millions)*	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Six Months Ended March 31, 2024	Six Months Ended March 31, 2023
Severance and related costs	$ 3.7	$ 1.8	$ 6.2	$ 1.9
Business integration (f)	(1.5)	—	(0.9)	2.5
IT infrastructure, transformation, and other (g)	3.9	2.3	11.6	4.3
Business transformation and integration costs	**$ 6.1**	**$ 4.1**	**$ 16.9**	**$ 8.7**

(b) Represents the realized gain on sale and transaction related expenses related to the divestiture of U.S. Lawns on January 12, 2024.

(c) Represents equity-based compensation expense and related taxes recognized for equity incentive plans outstanding.

(d) Represents expenses related to the Company's response to the COVID-19 pandemic, principally temporary and incremental salary and related expenses, personal protective equipment and cleaning and supply purchases, and other.

(e) Represents the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of the applicable discrete tax items, which collectively result in a reduction of income tax (benefit). The tax effect of pre-tax items excluded from Adjusted Net Income is computed using the statutory rate related to the jurisdiction that was impacted by the adjustment after taking into account the impact of permanent differences and valuation allowances. Discrete tax items include changes in laws or rates, changes in uncertain tax positions relating to prior years and changes in valuation allowances.

(in millions)*	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Six Months Ended March 31, 2024	Six Months Ended March 31, 2023
Tax impact of pre-tax income adjustments	$ 4.8	$ 6.8	$ 12.2	$ 12.8
Discrete tax items	(12.3)	(0.7)	(13.0)	(1.7)
Income tax adjustment	**$ (7.5)**	**$ 6.1**	**$ (0.8)**	**$ 11.1**

(f) Represents isolated expenses specifically related to the integration of acquired companies such as one-time employee retention costs, employee onboarding and training costs, fleet and uniform rebranding costs, and adjustments to performance based contingent consideration. The Company excludes Business integration costs from the measures disclosed above since such expenses vary in amount due to the number of acquisitions and size of acquired companies as well as factors specific to each acquisition, and as a result lack predictability as to occurrence and/or timing, and create a lack of comparability between periods.

(g) Represents expenses related to distinct initiatives, typically significant enterprise-wide changes. Such expenses are excluded from the measures disclosed above since such expenses vary in amount based on occurrence as well as factors specific to each of the activities, are outside of the normal operations of the business, and create a lack of comparability between periods.

*Amounts may not total due to rounding

Non-GAAP to GAAP Reconciliation (cont.)

Total Financial Debt and Total Net Financial Debt

(in millions)*	March 31, 2024	September 30, 2023	March 31, 2023
Long-term debt, net	$ 880.4	$ 888.1	$ 1,344.9
Plus:			
Current portion of long term debt	—	—	12.0
Financing costs, net	5.8	6.6	9.7
Present value of net minimum payment - finance lease obligations (h)	45.0	42.8	42.7
Total Financial Debt	**931.2**	**937.5**	**1,409.3**
Less: Cash and cash equivalents	(177.3)	(67.0)	(11.0)
Total Net Financial Debt	**$ 753.9**	**$ 870.5**	**$ 1,398.8**
Total Net Financial Debt to Adjusted EBITDA ratio	**2.4x**	**2.9x**	**5.0x**

(h) Balance is presented within Accrued expenses and other current liabilities and Other liabilities in the Consolidated Balance Sheet.

(*) Amounts may not total due to rounding.

THANK YOU



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