+ SOLUTIONS MATTER

2020 INVESTOR DAY

SHAWCOR



→ DISCLOSURE STATEMENT

This presentation includes certain statements that reflect management's expectations and objectives for the Company's future performance, opportunities and growth, which statements constitute "forward looking information" and "forward looking statements" (collectively "forward looking information") under applicable securities laws. Such statements, other than statements of historical fact, are predictive in nature or depend on future events or conditions. Forward looking information involves estimates, assumptions, judgements and uncertainties. These statements may be identified by the use of forward looking terminology such as "may", "will", "should", "anticipate", "expect", "believe", "predict", "estimate", "continue", "intend", "plan" and variations of these words or other similar expressions. These statements of forward looking information are based on assumptions, estimates and analysis made by management in light of its experience and perception of trends, current conditions and expected developments as well as other factors believed to be reasonable and relevant in the circumstances. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from those predicted, expressed or implied by the forward-looking information. Additional information on the risks and uncertainties on the Company's business can be found in the Company's current Annual Information Form, annual and quarterly reports and in other reports and filings made with the securities regulatory authorities and available at www.sedar.com and www.shawcor.com. The forward-looking information is provided as of the date of this presentation and the Company does not assume any obligation to update or revise the forward-looking information to reflect new events or circumstances, except as required by law.

→ AN ENGINE FOR SUSTAINED GROWTH

BUSINESS

- → Pipeline & Pipe Services
- → Composite Systems
- → Automotive & Industrial

FINANCIAL

- → Management
- → Commitment to Shareholders
- → Performance

INHERENT VALUE

- → Sum of the Parts

→ BUSINESS OUTLOOK

PIPELINE & PIPE SERVICES

International and offshore projects will drive improved profitability and cash generation in 2020 and beyond

- Work secured will result in step-up in H2 2020 performance
- Additional awards will build backlog and be supportive for 2020 and future years
- Well positioned in new EPC model and the cycle

DRIVERS

- → Greener alternatives - Gas
- → Lower offshore development costs
- → Aging infrastructure replacement

FOCUS

- → Bid, win and execute
- → Technology monetization
- → Optimized footprint

EXPECTATION

- → Step-up performance in H2 2020
- → Backlog build through 2020
- → 2020 inflection point for future years







→ **BUSINESS OUTLOOK**

COMPOSITE SYSTEMS

Growing acceptance and established base business will drive high growth

- Market share supports forward performance
- Addressable market expansion provides a hedge for near term results
- Conversion to Composites is just starting and will support future growth

DRIVERS

- → Continued conversion to Composites
- → Aging infrastructure replacement
- → Oil and gas development

FOCUS

- → Expansion
  - Products
  - Markets
- → Added value
  - Services
  - Digital

EXPECTATION

- → Short term volatility US land
- → 2020 better than 2019
- → High growth in future years







AUTOMOTIVE & INDUSTRIAL

Stable outlook with growth prospects in core markets

- Tied to stable core markets of automotive and industrial
- Near term upside with nuclear refurbishment
- Continued base growth underpinned by electric vehicle production and electrical content

DRIVERS

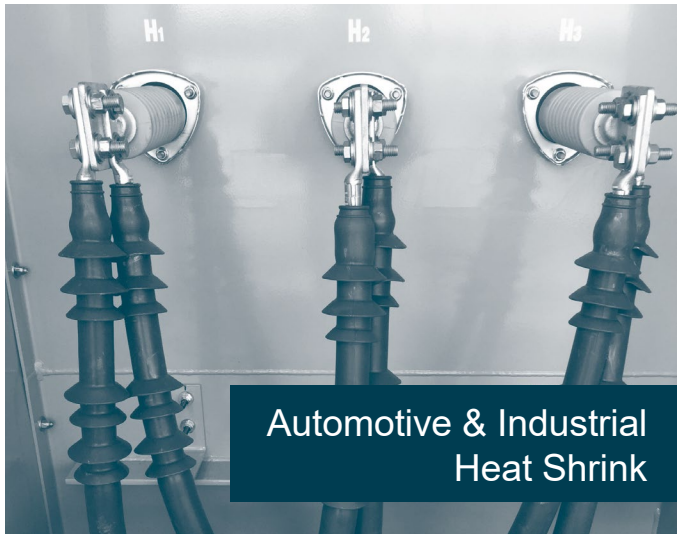
- → Automotive production
- → Aging infrastructure
- → Electric vehicles and electrical content

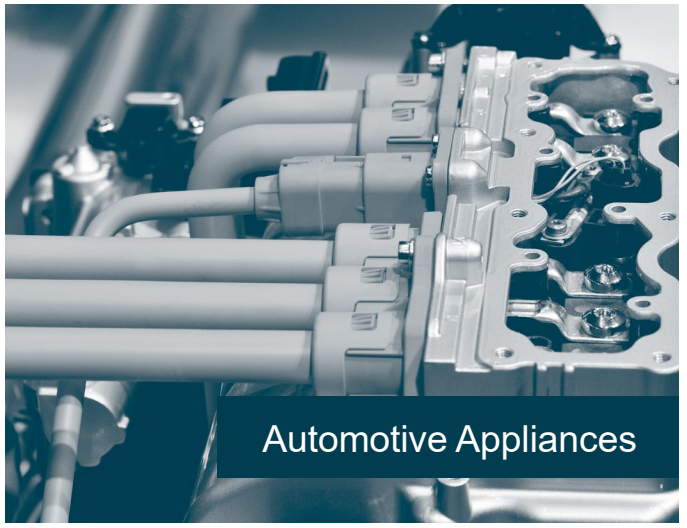
FOCUS

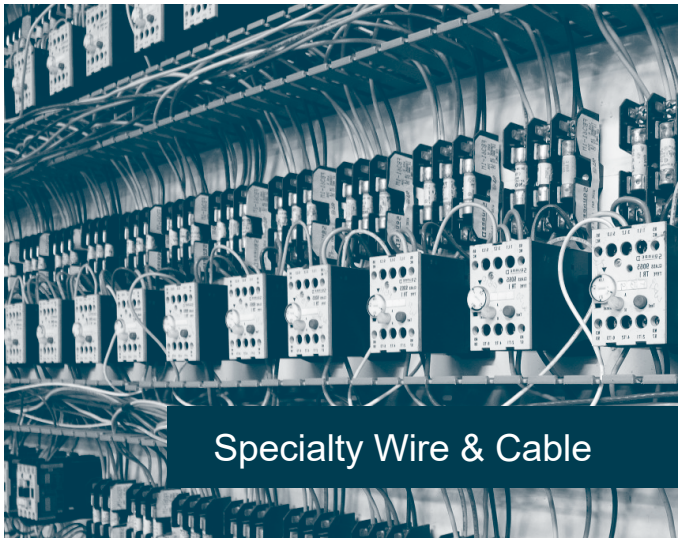
- → Specifications
- → Global capacity
- → Equipment and aftermarket service

EXPECTATION

- → Short term volatility likely
- → Base business - consistent growth
- → Upside from Nuclear



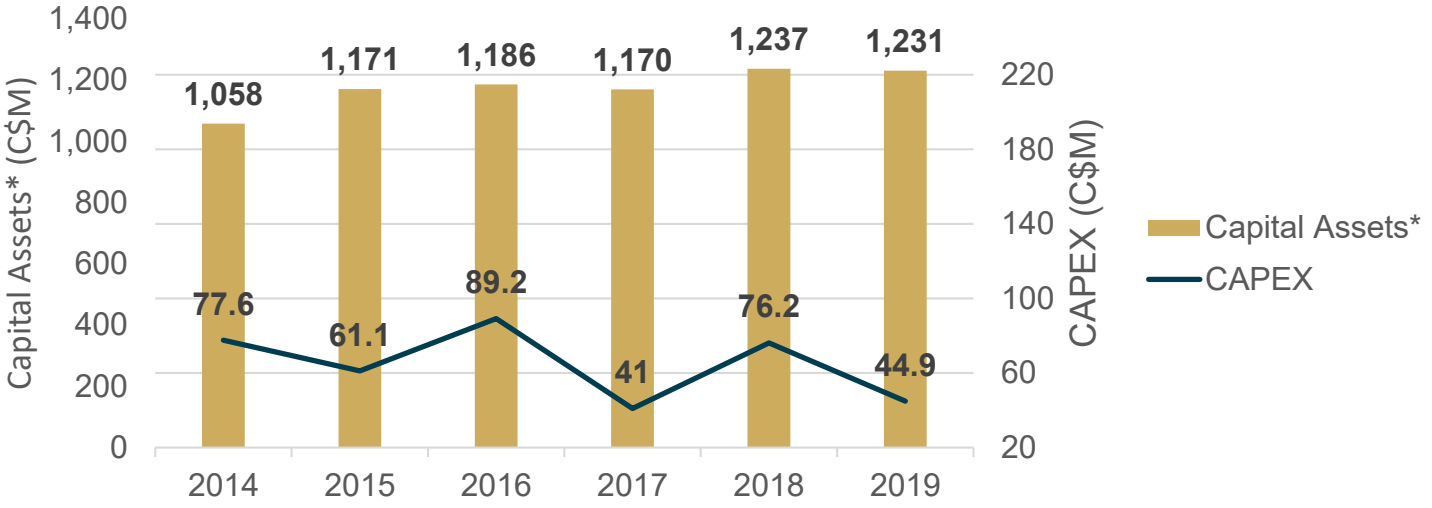




CAPITAL & EXPENSE DISCIPLINE

Preserve global, large project operating advantage through disciplined financial management

- Global footprint and mobile assets remain an advantage
- $1.2 billion in capital assets require less than $50 million to maintain
- Ongoing review of Pipeline & Pipe Services footprint



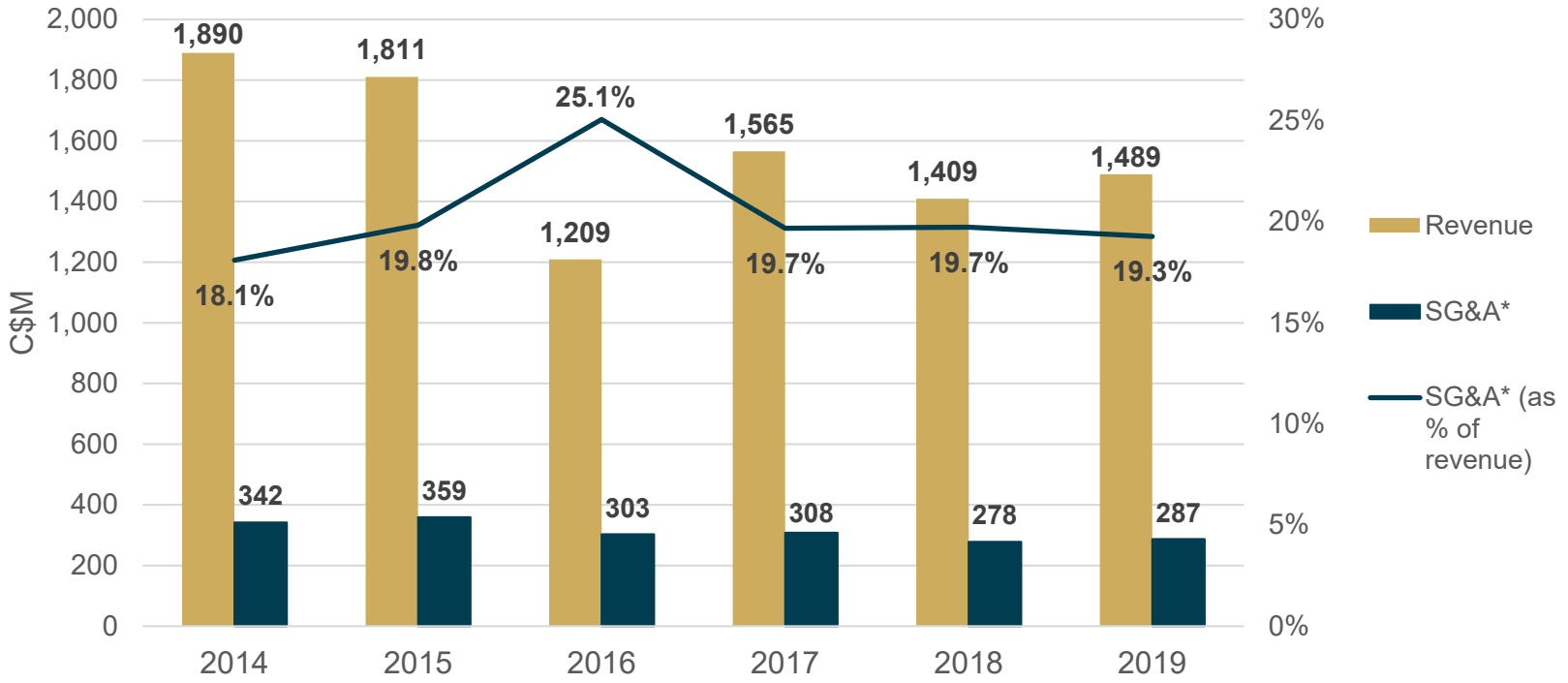
CAPEX as % of Capital Assets	7.3%	5.2%	7.5%	3.5%	6.2%	3.7%

**Property Plant & Equipment - Gross Book Value*

CAPITAL & EXPENSE DISCIPLINE

Ensure SG&A expenses are appropriate to our scope and operating dynamics

- All encompassing view of SG&A
- Disciplined SG&A management practices – 2019 declined as % of revenue
- Management incentive programs linked to real business metrics

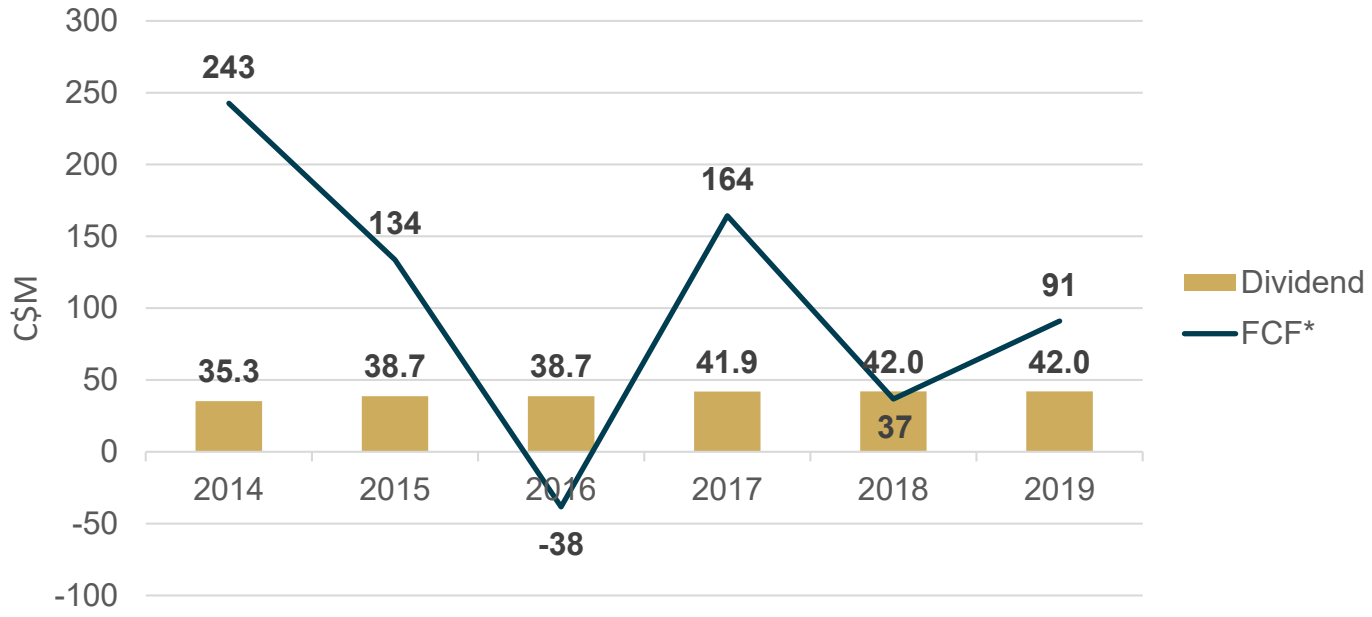


*SG&A excludes management incentives

COMMITMENT TO DIVIDEND

Sustaining our track record of paying dividends through economic cycles is a priority

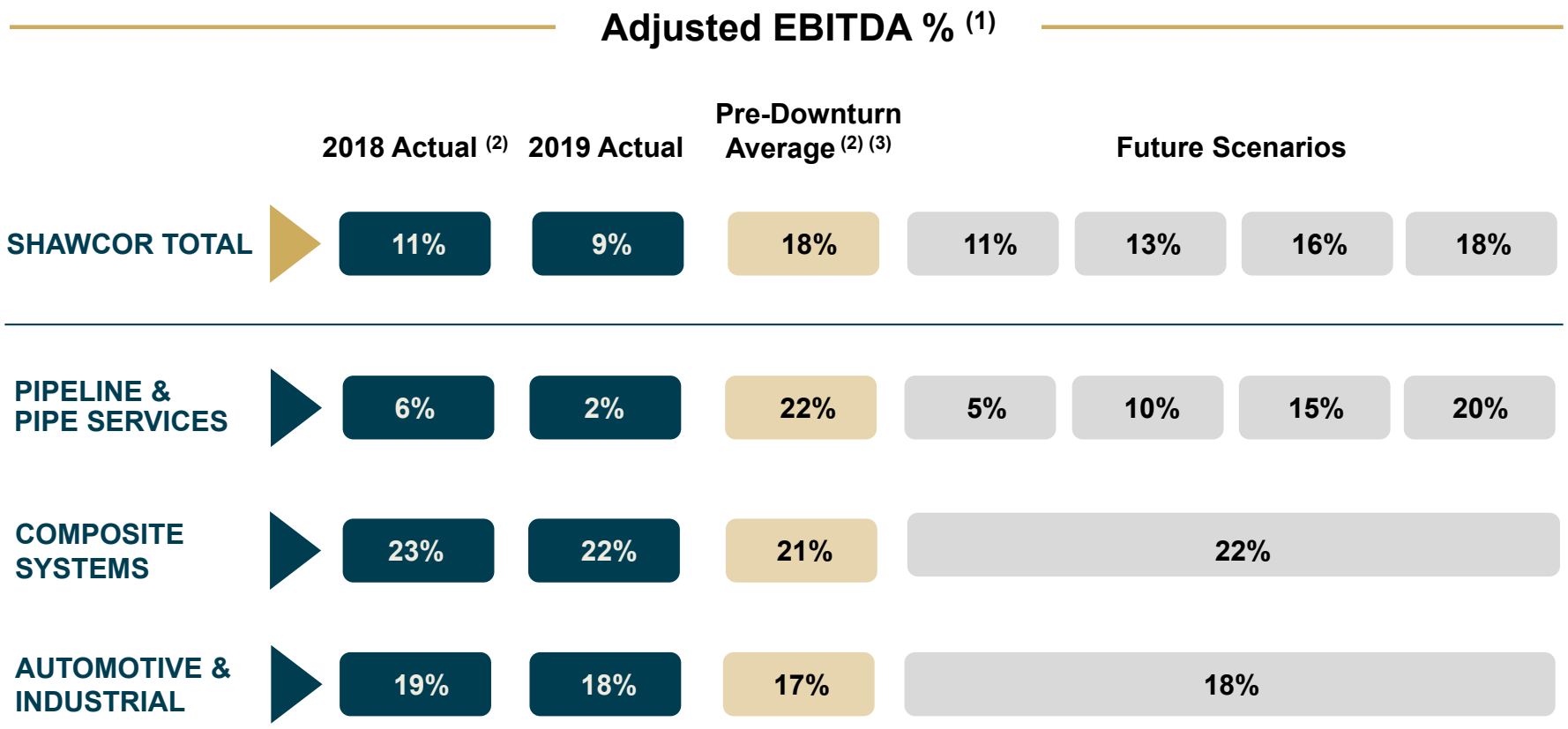
- $238 million paid in the last 6 years
- Maintained the dividend during the downturn
- Committed to returning cash to shareholders from sustainable earnings



*Free Cash Flow = Cash from operations before change in non-cash working capital - CAPEX + Proceeds from sale of assets & investment in associate - Repayment of Lease Liabilities

COMPANY & SEGMENT EBITDA PROFILE

SHAWCOR's EBITDA potential is significant with all three Segments contributing



(1) *Adjusted EBITDA is a non-GAAP measure. See MD&A Section 12.0: Reconciliation of non-GAAP Measures*
(2) *Adjusted EBITDA % for prior years revised to reflect similar level of benefit from adoption of IFRS16 as 2019*
(3) *Pipeline segment – late cycle average 2013 to 2015, Composite segment – early cycle average 2014 to 2015, Automotive & Industrial segment – no downturn average 2013 to 2015*

CAPITAL ALLOCATION

SHAWCOR has clear priorities for use of future cash generated

1 PRIMARY

▪ Dividends to Shareholders	Maintain 60¢ / share
▪ Maintenance CAPEX	$40-50 million / year
▪ Strengthened Balance Sheet	Visibility of Net Debt Leverage < 1.5x

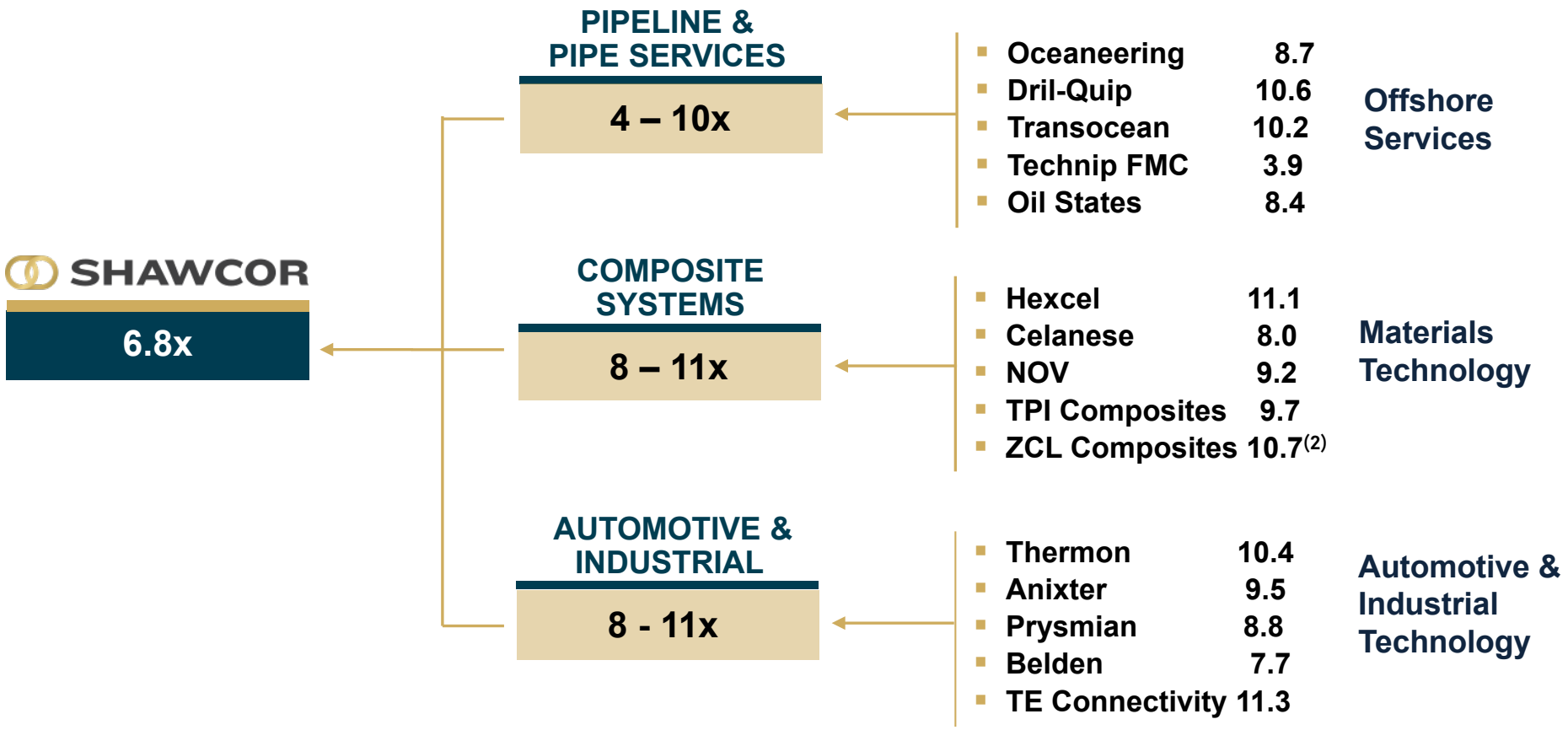
2 SECONDARY

▪ Selective Growth Programs	▪ Non-Oil & Gas M&A ▪ Composite Products International Expansion ▪ Digital & New Technology
▪ Additional Returns To Shareholders	▪ Dividends ▪ Share Repurchase

DIVERSIFICATION

SHAWCOR's diversification imperative has created inherent value not yet recognized.

Comparison of Trading Multiples - (EV/EBITDA) 2020 Consensus [1]



(1) *Values per Bloomberg as at Feb. 28, 2020*
(2) *Acquisition multiple*

→ SHAWCOR INVESTMENT HIGHLIGHTS

1. Supportive Market Fundamentals
2. Financial Discipline & Organizational Capability
3. Strong Competitive Positioning
4. Positive Outlook
5. Attractive Entry Point

→ ELEMENTS OF SHAWCOR SUCCESS

Deliver Positive Returns On Resources Invested

Shareholders
- Growth
- Yield
- Sustainability

Employees
- Purpose
- Growth
- Compensation

Communities
- Contributions
- Safety
- Citizenship

Customers
- Solutions
- Execution
- Partnership

Generate Sustainable Profitable Growth

Today
- Protect
- Capture
- Deliver

Tomorrow
- Select
- Seed
- Structure

Leverage and Build On Core Strengths For The Future

Continual transition from where we are to where we need to be . . .
- Markets
- Competencies
- Capability
- Technology

FUNDAMENTALS



SUPPLY / DEMAND IMBALANCE



IMPORTANCE OF ASSET OWNERSHIP



ENERGY SECURITY AND ASSURANCE



GREENER ALTERNATIVES