Consolidated Financial Statements

for the three and six month periods ended June 30, 2026 and 2025 (unaudited)

BIRD CONSTRUCTION INC.

Notice to Reader

The accompanying unaudited interim condensed consolidated financial statements of Bird Construction Inc. for the three month periods ended June 30, 2026 and 2025 has been prepared by and are the responsibility of management. The comparative information for the three and six month periods ended June 30, 2025 has not been reviewed by the Company's independent external auditor.

Bird Construction Inc.
Consolidated Statement of Financial Position
As at June 30, 2026 and December 31, 2025

(in thousands of Canadian dollars) (unaudited)

	Note	June 30, 2026	December 31, 2025[1]
ASSETS			
Current assets			
Cash and cash equivalents	7	$ 264,289	$ 167,007
Accounts receivable	8	1,137,244	925,238
Contract assets	9	176,929	146,751
Inventory and prepaid expenses		22,531	21,537
Income taxes recoverable		38,197	34,847
Other assets	10	62,095	16,973
Assets held for sale	11	7,247	1,360
Total current assets		1,708,532	1,313,713
Non-current assets			
Other assets	10	1,888	2,680
Investments in equity accounted entities	12	10,143	12,263
Property and equipment	13	169,500	178,503
Right-of-use assets	14	122,010	105,475
Deferred income tax asset		20,316	21,559
Intangible assets	15	88,767	94,793
Goodwill		128,754	128,754
Total non-current assets		541,378	544,027
TOTAL ASSETS		$ 2,249,910	$ 1,857,740
LIABILITIES			
Current liabilities			
Accounts payable		$ 856,735	$ 776,274
Contract liabilities		298,092	142,090
Dividends payable to shareholders		3,878	3,877
Income taxes payable		8,198	31,879
Current portion of loans and borrowings	16	53,948	25,673
Current portion of right-of-use liabilities	17	33,921	35,270
Provisions	20	9,775	5,453
Other liabilities	21	31,314	28,487
Total current liabilities		1,295,861	1,049,003
Non-current liabilities			
Loans and borrowings	16	253,709	194,522
Right-of-use liabilities	17	82,208	71,244
Stock warrant liabilities	18	19,116	—
Deferred income tax liability		89,439	81,081
Other liabilities	21	57,850	29,448
Total non-current liabilities		502,322	376,295
TOTAL LIABILITIES		1,798,183	1,425,298
SHAREHOLDERS' EQUITY			
Shareholders' capital	23	156,010	155,020
Contributed surplus		1,956	1,956
Retained earnings		293,607	275,446
Accumulated other comprehensive income (loss)		154	20
Total shareholders' equity		451,727	432,442
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 2,249,910	$ 1,857,740

1) December 31, 2025 comparatives have been restated as a result of measurement period adjustments made to the purchase price allocation as at October 10, 2025. (See note 6).

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bird Construction Inc.
Consolidated Statement of Income
For the three and six month periods ended June 30, 2026 and 2025
(in thousands of Canadian dollars, except number of shares and per share amounts) (unaudited)

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Construction revenue	9	$ 1,043,273	$ 850,772	$ 1,826,641	$ 1,568,325
Costs of construction		933,498	760,667	1,644,564	1,410,741
Gross profit		109,775	90,105	182,077	157,584
Income (loss) from equity accounted investments	12	292	(3,773)	466	(4,258)
General and administrative expenses		(56,207)	(54,161)	(108,991)	(105,072)
Income from operations		53,860	32,171	73,552	48,254
Finance and other income	24	1,244	1,230	2,367	2,856
Finance and other costs	25	(14,268)	(6,152)	(19,720)	(11,304)
Income before income taxes		40,836	27,249	56,199	39,806
Income tax expense	19	10,562	6,974	14,522	10,143
Net income for the period		$ 30,274	$ 20,275	$ 41,677	$ 29,663
Basic and diluted earnings per share		$ 0.55	$ 0.37	$ 0.75	$ 0.54
Weighted average number of common shares (basic and diluted)		55,395,201	55,382,831	55,389,050	55,382,831

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bird Construction Inc.
Consolidated Statement of Comprehensive Income
For the three and six month periods ended June 30, 2026 and 2025
(in thousands of Canadian dollars) (unaudited)

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Net income for the period		**$ 30,274**	$ 20,275	**$ 41,677**	$ 29,663
Other comprehensive income (loss) for the period:					
Items that will not be reclassified to net income in subsequent periods:					
Defined benefit plan actuarial gain (loss), net of tax		**(22)**	45	**(252)**	76
Items that may be reclassified to net income in subsequent periods:					
Foreign currency translation and other, net of tax		**89**	271	**134**	462
Total comprehensive income for the period		**$ 30,341**	$ 20,591	**$ 41,559**	$ 30,201

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bird Construction Inc.
Consolidated Statement of Changes in Equity
For the six month periods ended June 30, 2026 and 2025

(in thousands of Canadian dollars, except per share amounts) (unaudited)

	Note	Shareholders' capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total equity
Balance at December 31, 2025[1]		**$ 155,020**	**$ 1,956**	**$ 275,446**	**$ 20**	**$ 432,442**
Net income for the period		**—**	**—**	**41,677**	**—**	**41,677**
Other comprehensive income (loss) for the period		**—**	**—**	**(252)**	**134**	**(118)**
Total comprehensive income (loss) for the period		**—**	**—**	**41,425**	**134**	**41,559**
Common shares issued	23	**990**	**—**	**—**	**—**	**990**
Dividends declared to shareholders		**—**	**—**	**(23,264)**	**—**	**(23,264)**
Balance at June 30, 2026		**$ 156,010**	**$ 1,956**	**$ 293,607**	**$ 154**	**$ 451,727**
Dividends declared per share				**$ 0.42**		
Balance at December 31, 2024		$ 155,020	$ 1,956	$ 273,825	$ (520)	$ 430,281
Net income for the period		—	—	29,663	—	29,663
Other comprehensive income (loss) for the period		—	—	76	462	538
Total comprehensive income (loss) for the period		—	—	29,739	462	30,201
Dividends declared to shareholders		—	—	(23,260)	—	(23,260)
		—	—	(23,260)	—	(23,260)
Balance at June 30, 2025		$ 155,020	$ 1,956	$ 280,304	$ (58)	$ 437,222
Dividends declared per share				$ 0.42		

1) December 31, 2025 balances have been restated as a result of measurement period adjustments made to the purchase price allocation as at October 10, 2025. (See note 6).

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bird Construction Inc.
Consolidated Statement of Cash Flows
For the three and six month periods ended June 30, 2026 and 2025
(in thousands of Canadian dollars) (unaudited)

	Note	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash flows from (used in) operating activities					
Net income for the period		**$ 30,274**	$ 20,275	**$ 41,677**	$ 29,663
Items not involving cash:					
Amortization	15	**5,171**	7,084	**10,897**	14,132
Depreciation	13, 14	**14,147**	12,435	**26,581**	24,291
(Gain) loss on sale of property and equipment and other	13, 14	**(247)**	(2,119)	**(1,409)**	(3,329)
(Income) loss from equity accounted investments	12	**(292)**	3,773	**(466)**	4,258
Finance and other income	24	**(1,244)**	(1,230)	**(2,367)**	(2,856)
Finance and other costs excluding stock warrants	25	**6,251**	6,152	**11,703**	11,304
Deferred compensation plan expense and other		**3,983**	1,434	**7,037**	5,353
Defined benefit pension plan expense, net of contributions		**—**	(64)	**85**	(315)
Unrealized (gain) loss on investments and other		**990**	(231)	**1,000**	189
Income tax expense (recovery)	19	**10,562**	6,974	**14,522**	10,143
Fair value loss (gain) on stock warrants and amortization of stock warrant contract assets	25, 18	**8,067**	—	**8,067**	—
Cash flows from operations before changes in non-cash working capital		**77,662**	54,483	**117,327**	92,833
Changes in non-cash working capital relating to operating activities	26	**(8,164)**	(119,167)	**(13,080)**	(189,973)
Interest received		**1,244**	1,230	**2,367**	2,857
Interest paid		**(5,041)**	(5,966)	**(10,261)**	(10,929)
Income taxes recovered (paid)		**(7,313)**	(6,004)	**(31,877)**	(19,086)
Net cash from (used in) operating activities		**58,388**	(75,424)	**64,476**	(124,298)
Cash flows from (used in) investing activities					
Investments in equity accounted entities	13	**(3,000)**	(2,000)	**(3,000)**	(2,000)
Capital distributions from equity accounted entities	11, 12	**5,544**	572	**5,643**	812
Additions to property and equipment and intangible assets	13, 14	**(9,639)**	(9,882)	**(15,730)**	(17,231)
Proceeds on sale of property and equipment		**815**	3,371	**2,665**	5,241
Other long-term assets		**(446)**	212	**(218)**	423
Net cash from (used in) investing activities		**(6,726)**	(551)	**(10,640)**	(5,579)
Cash flows from (used in) financing activities					
Dividends paid on shares		**(11,632)**	(11,630)	**(23,262)**	(23,260)
Net proceeds (repayment) of draws for working capital purposes	16	**(5,000)**	105,000	**50,000**	145,000
Proceeds from loans and borrowings, net of transaction costs	16	**249,185**	1,965	**249,185**	1,965
Repayment of loans and borrowings	16	**(205,262)**	(4,503)	**(211,759)**	(8,556)
Repayment of right-of-use liabilities	17	**(9,744)**	(10,142)	**(20,842)**	(19,898)
Net cash from (used in) financing activities		**17,547**	80,690	**43,322**	95,251
Net increase (decrease) in cash and cash equivalents during the period		**69,209**	4,715	**97,158**	(34,626)
Effects of foreign exchange on cash and cash equivalents balances		**90**	72	**124**	(227)
Cash and cash equivalents, beginning of the period		**194,990**	137,805	**167,007**	177,445
Cash and cash equivalents, end of the period	7	**$ 264,289**	$ 142,592	**$ 264,289**	$ 142,592

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

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1. Structure of the company

Bird Construction Inc. (the "Company") is a corporation incorporated in the province of Ontario, Canada. The address of the Company's registered office is 5700 Explorer Drive, Suite 400, Mississauga, Ontario, Canada. The Company's common shares are traded on the Toronto Stock Exchange ("TSX") under the symbol BDT.

The Company operates from coast-to-coast-to-coast and services all of Canada's major geographic markets through a collaborative, safety-first approach. The Company provides a comprehensive range of construction services, self-perform capabilities, and innovative solutions to the industrial, buildings, and infrastructure markets. The Company uses a variety of contract delivery methods including construction management, cost reimbursable, integrated project delivery ("IPD"), alliance agreement, progressive design-build - target price, progressive design-build, design-build finance, design-build, stipulated sum, unit price, and public private partnership ("PPP") contract delivery methods.

2. Basis of preparation

Statement of compliance

These unaudited interim condensed consolidated financial statements (the "financial statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*. These financial statements do not include all of the information and disclosures required in the Company's annual consolidated financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2025. These financial statements were authorized for issue on August 12, 2026 by the Company's Board of Directors.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. Unless otherwise indicated, all financial information presented has been rounded to the nearest thousand.

Basis of measurement

These financial statements have been prepared on a going concern and historical cost basis, except for certain financial assets, derivative financial instruments and liabilities for cash-settled share-based payment arrangements which are measured at fair value as detailed in the material accounting policies described in Note 4.

Segmented results

Segment results are reviewed by the Company's chief operating decision maker to assess performance and allocate resources within the Company. Management applies judgement in the aggregation of the Company's operating segments and has determined that the Company operates in one reportable segment being the general contracting sector of the construction industry. The Company's operating segments have similar economic characteristics in that the Company's operating business units provide comparable construction services, use similar contracting methods, have similar customer types, have similar long-term economic prospects, share similar cost structures, and operate in similar regulatory environments.

3. Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent assets and liabilities at the reporting date.

Uncertainty about these assumptions and estimates could result in a material adjustment to the carrying amount of an asset or liability and/or the reported amount of revenue and expense in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Estimates and judgements used in the preparation of these financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2025 except as described below.

Stock warrants

The valuation of the Company's stock warrants issued to a customer requires the application of significant judgement and estimation in the measurement of the derivative liability and contract-related asset at inception, and subsequent remeasurement of the derivative liability. The fair value of each tranche is determined using an option pricing model. The valuation of the stock warrants involves the selection of option pricing model inputs, including:

- expected share price volatility, which is based on the historical volatility of the Company's common shares over a period corresponding to the expected term of the warrants,
- expected term, which represents the contractual term of the warrants,
- risk-free interest rate, which is based on the yield of Government of Canada bonds with a similar tenor, and;
- expected dividend yield, which is based on the Company's expected dividend payments

Changes in these estimates and assumptions could result in material changes in the carrying amount of the derivative liability and contract-related asset, and the related gains or losses recognized in earnings.

4. Material accounting policies

The accounting principles used in the preparation of these financial statements are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended December 31, 2025 except for the following:

Stock warrants

The Company's stock warrants issued to a customer in connection with a strategic partnership arrangement are classified as derivative financial liabilities, as on settlement, they may not result in the issuance of a fixed number of the Company's common shares. The warrants are initially recognized at fair value and subsequently remeasured at fair value at each reporting date, with changes in fair value recognized in profit or loss. The fair value of the warrants is determined using an option pricing model and incorporates assumptions including expected share price volatility, risk-free interest rates, expected term, and the probability of achieving the vesting conditions for each tranche. The valuation is classified within Level 2 of the fair value hierarchy. At initial recognition, the fair value of the stock warrants is recognized as a derivative liability with a corresponding contract-related asset, representing a payment to the customer and a reduction of the overall transaction price of the related contract. Subsequent to initial recognition, the contract-related asset is amortized as a reduction of revenue on a systematic basis as the Company satisfies its performance obligations under the related construction contracts. Gains and losses arising from the subsequent remeasurement of the warrant liability are recognized in finance and other income or finance and other costs.

Share-based payments

For equity-settled share-based payments, the Company values the transaction at the fair value of goods or services received unless the value is not reliably estimable, in which case the transaction is valued at the fair value of the equity instruments granted.

Senior unsecured notes

The Company’s senior unsecured notes are classified as financial liabilities and are initially recognized at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, the notes are measured at amortized cost using the effective interest method. Interest expense is recognized in finance

and other costs over the term of the notes using the effective interest rate, which incorporates the amortization of transaction costs.

5. Future accounting changes

There are new accounting standards and amendments to accounting standards and interpretations that are effective for annual periods beginning on or after January 1, 2027 that have not been applied in preparing the financial statements for the period ended June 30, 2026.

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1. IFRS 18 applies to annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes. The Company has initiated its adoption planning and continues to monitor developments and evaluate the potential impact on its consolidated financial statements and disclosures.

On June 26, 2026, the IASB issued amendments clarifying the fair value option in IAS 28 *Investments in Associates and Joint Ventures*. Under the amendments, entities whose specified main business activity is investing in particular types of assets may elect to measure qualifying investments at fair value through profit or loss. The amendments also remove the example relating to an investment-linked insurance fund. While the amendments only modify IAS 28, the related measurement elections may affect the presentation of financial performance under IFRS 18. The Company has assessed the impact of these amendments and does not expect the adoption to have a material impact on its consolidated financial statements.

6. Business combinations

Acquisition of Fraser River Pile & Dredge

During the three month period ended June 30, 2026, the Company recorded measurement period adjustments to the purchase price allocation to reflect new information obtained by the Company with respect to the facts and circumstances that existed as of October 10, 2025. The impact of these measurement period adjustments was an aggregate $3,689 decrease in accounts receivable, contract assets, and inventory and prepaid expenses, $4,544 increase in Property and equipment, and $231 increase in deferred income tax liabilities. As a result of these fair value adjustments, the acquisition date bargain purchase gain and deferred income tax expense increased by $855 and $231, respectively, with the net impact recognized as an adjustment to retained earnings as at December 31, 2025.

7. Cash and cash equivalents

	June 30, 2026	December 31, 2025
Accessible cash	**$ 72,874**	$ 38,134
Cash held for joint operations	**154,877**	83,783
Restricted cash and cash equivalents	**36,538**	45,090
	$ 264,289	$ 167,007

Included in cash and cash equivalents as at June 30, 2026 are outstanding cheques in transit of $17,111 (December 31, 2025 - $16,878).

8. Accounts receivable

	June 30, 2026	December 31, 2025
Progress billings on construction contracts	$ 772,031	$ 612,014
Holdbacks receivable (due within one operating cycle)	345,343	293,686
Other	19,870	19,538
	$ 1,137,244	$ 925,238

Holdbacks receivable represent amounts billed on construction contracts which are not due until the contract work is substantially complete and the applicable lien period has expired.

9. Revenue and contract assets

Disaggregation of revenue

The Company disaggregates revenue from contracts with customers by contract type, as this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Public Private Partnerships	$ 8,035	$ 693	$ 16,949	$ 1,127
Design-build finance and design-build	2,752	19,265	7,780	42,926
Stipulated sum, unit price and progressive design-build	380,800	285,032	664,875	553,146
Construction management, IPD, alliance agreement, progressive design-build - target price, and cost reimbursable	651,686	545,782	1,137,037	971,126
	$ 1,043,273	$ 850,772	$ 1,826,641	$ 1,568,325

Remaining performance obligations

The total value of all contracts awarded to the Company, less the total value of work completed on these contracts as of the reporting date, is referred to as remaining performance obligations. This includes all contracts that have been awarded to the Company whether the work has commenced or will commence in the normal course.

As at June 30, 2026, the aggregate amount of remaining performance obligations from construction contracts was $6,063,559. The value of remaining performance obligations does not include amounts for variable consideration that are constrained, agency relationship construction management projects, and estimated future work orders or other formal documents to proceed to be performed as part of recurring revenue agreements.

The Company expects to recognize approximately 64% of the remaining performance obligations over the next 12 months with the remaining balance being recognized beyond 12 months. This expectation is based on management's best estimate and contains uncertainty as it is subject to factors outside of the Company's control.

The Company's measure of remaining performance obligations is also referred to as "Backlog" and additions to remaining performance obligations are also referred to by the Company as "Securements." These measures may not be comparable with the calculation of similar measures by other entities as Backlog and Securements are not terms defined under IFRS.

Summary of contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	2026	2025
Progress billings and holdbacks receivable (note 8)	$ 1,117,374	905,700
Contract assets	165,880	146,751
Contract assets - stock warrants (note 18)	11,049	—
Contract liabilities	(298,092)	(142,090)
	$ 996,211	$ 910,361

10. Other assets

	June 30, 2026	December 31, 2025
Total Return Swap ("TRS") derivatives (note 22)	$ 61,188	$ 15,942
Other	2,795	3,711
Other assets	$ 63,983	$ 19,653
Less: current portion		
TRS derivative	61,188	15,942
Other	907	1,031
Current portion	62,095	16,973
Non-current portion	$ 1,888	$ 2,680

Included in other are lease receivables, pension asset, and subcontractor/supplier insurance deposits relating to the Company's insurance policies.

11. Assets held for sale

Assets held for sale	June 30, 2026
Balance, December 31, 2025	$ 1,360
Reclassifications as held for sale	6,380
Capital distributions received	(57)
Sold in the period	(436)
Balance, June 30, 2026	$ 7,247

During the six month period ended June 30, 2026, the Company sold a property that had previously been classified as held for sale in the prior year, for total proceeds of $570.

Subsequent to the quarter ended June 30, 2026, the Company sold equipment that was classified as held for sale in the quarter for proceeds of $6,380.

12. Projects and entities accounted for using the equity method

The Company performs certain construction and concession related projects through joint ventures and associates which are accounted for using the equity method. The Company's joint ventures and associates are private entities and there is no quoted market value available for their shares.

The movement in the investment in projects and entities accounted for using the equity method is as follows:

Investments in equity accounted entities	June 30, 2026
Balance, December 31, 2025	$ 12,263
Share of net income (loss) for the period	466
Investments in and advances to equity accounted entities	3,000
	15,729
Capital distributions and repayments received	(5,586)
Balance, June 30, 2026	$ 10,143

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Share of net income (loss) for the period	**$ 292**	$ 477	**$ 466**	$ (8)
Gain on sale of investments in equity accounted entities	**—**	170	**—**	170
Reclassification of foreign currency translation on disposal of equity accounted investments	**$ —**	$ (589)	**$ —**	$ (589)
Impairment of investments reclassified as held for sale	**$ —**	$ (3,831)	**$ —**	$ (3,831)
Income (loss) from equity accounted investments	**$ 292**	$ (3,773)	**$ 466**	$ (4,258)

13. Property and equipment

	June 30, 2026					
	Land	Buildings	Leasehold improvements	Equipment, trucks and automotive	Furniture and office equipment	Total
Cost						
Balance, December 31, 2025	$ 21,564	$ 14,478	$ 29,988	$ 212,963	$ 5,344	$ 284,337
Reclassified to held for sale	—	—	—	(6,380)	—	(6,380)
Additions	—	—	2,444	8,350	65	10,859
Transfers from right-of-use assets		—	—	169	—	169
Disposals	—	—	(10)	(4,491)	(24)	(4,525)
Balance, June 30, 2026	21,564	14,478	32,422	210,611	5,385	284,460
Accumulated depreciation						
Balance, December 31, 2025	—	8,715	14,863	80,055	2,201	105,834
Disposals	—	—	(6)	(3,834)	(24)	(3,864)
Depreciation expense	—	79	1,590	11,071	250	12,990
Balance, June 30, 2026	—	8,794	16,447	87,292	2,427	114,960
Net book value	$ 21,564	$ 5,684	$ 15,975	$ 123,319	$ 2,958	$ 169,500

14. Right-of-use assets

	June 30, 2026			
	Buildings	Equipment, trucks and automotive	Furniture and office equipment	Total
Cost				
Balance, December 31, 2025	$ 82,487	$ 103,256	$ 1,867	$ 187,610
Additions	10,222	20,350	—	30,572
Disposals and transfers to property and equipment	—	(5,087)	—	(5,087)
Balance, June 30, 2026	92,709	118,519	1,867	213,095
Accumulated depreciation				
Balance, December 31, 2025	36,364	43,909	1,862	82,135
Disposals	—	(4,641)	—	(4,641)
Depreciation expense	6,013	7,575	3	13,591
Balance, June 30, 2026	42,377	46,843	1,865	91,085
Net book value	$ 50,332	$ 71,676	$ 2	$ 122,010

15. Intangible assets

	June 30, 2026				
	Trade names	Backlog	Customer relationships	Computer software	Total
Cost					
Balance, December 31, 2025	$ 23,183	$ 18,484	$ 60,489	$ 60,433	$ 162,589
Additions	—	—	—	4,871	4,871
Disposals	—	—	—	—	—
Balance, June 30, 2026	23,183	18,484	60,489	65,304	167,460
Accumulated amortization					
Balance, December 31, 2025	867	17,584	21,127	28,218	67,796
Amortization expense	100	810	4,334	5,653	10,897
Disposals	—	—	—	—	—
Balance, June 30, 2026	967	18,394	25,461	33,871	78,693
Net book value	$ 22,216	$ 90	$ 35,028	$ 31,433	$ 88,767

16. Loans and borrowings

Loans and borrowings

	Maturity	Interest rate	June 30, 2026	December 31, 2025
Senior unsecured notes	June 1, 2031	Fixed 4.397%	$ 247,647	$ —
Committed revolving credit facility	September 3, 2029	Variable	50,000	—
Committed non-revolving term loan facility	n/a	n/a	—	209,375
Equipment financing	2026 – 2029	Fixed 4.70%-7.64%	10,010	10,820
			307,657	220,195
Current portion			53,948	25,673
Non-current portion			$ 253,709	$ 194,522

The following table provides details of the changes in the Company's Loans and borrowings for the six months ended June 30, 2026:

	Senior unsecured notes	Syndicated committed revolving credit facility	Syndicated committed non-revolving term loan facility	Equipment financing	Total
Balance, December 31, 2025	$ —	$ —	$ 209,375	$ 10,820	$ 220,195
Net proceeds (repayment) of draws for working capital purposes	—	50,000	—	—	50,000
Proceeds	250,000	—	—	1,574	251,574
Transaction costs	(2,389)	—	—	—	(2,389)
Repayments	—	—	(209,375)	(2,384)	(211,759)
Accretion	36	—	—	—	36
Balance, June 30, 2026	$ 247,647	$ 50,000	$ —	$ 10,010	$ 307,657

During the six months ended June 30, 2026 the Company made short-term draws on the revolving credit facility to fund working capital. The aggregate of short-term draws throughout the period totalled $185,000 with offsetting repayments totalling $135,000 (2025 - $190,000 draws and $45,000 repayments).

Senior unsecured notes

On June 1, 2026, the Company completed a private placement of senior unsecured notes (the "Notes") with an aggregate principal amount of $250,000. The notes bear interest at a fixed rate of 4.397% per annum, payable semi-annually in arrears on June 1 and December 1 of each year and mature on June 1, 2031. Proceeds from the issuance of the Notes were primarily used to repay the Company's outstanding indebtedness under its non-revolving term loan facility, with the remaining amount available for general corporate purposes. The Notes were issued at par and are carried at amortized cost. Transaction costs of $2,389 incurred in connection with the issuance have been deducted from the carrying amount of the notes and are amortized over the term of the notes using the effective interest method.

The Notes are classified as long-term debt as they mature on June 1, 2031. The Notes may be redeemed, in whole or in part, at the Company's option prior to May 1, 2031, at a redemption price equal to the greater of (i) 101% of the principal amount of the notes being redeemed and (ii) an amount determined by reference to prevailing Government of Canada bond yields, plus accrued and unpaid interest to, but excluding, the applicable redemption date. On or after May 1, 2031, the notes may be redeemed at the Company's option at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest to, but excluding, the applicable redemption date.

The Notes contain customary indenture covenants that, among other matters, (i) restrict the Company's ability to incur certain secured indebtedness unless the notes are secured equally and rateably, (ii) require the provision of periodic financial information, and (iii) contain provisions relating to mergers, amalgamations, sales of substantially all assets and change-of-control events. The Company was in compliance with these covenants as at June 30, 2026.

Syndicated credit facility

During the second quarter, the Company amended its committed, syndicated credit facility (the "Syndicated Facility") maturing September 3, 2029. The Syndicated Facility is subject to a number of customary covenants that are tested quarterly, including financial covenants such as a minimum Debt Service Coverage Ratio, maximum Total Funded Debt to EBITDA Ratio, and maximum Direct Funded Debt to EBITDA Ratio. The Company was in compliance with covenants under the facility as at June 30, 2026. The Syndicated Facility consists of the following:

Committed revolving credit facility

The Company has a committed revolving credit facility of up to $500,000 (December 31, 2025 – $400,000) that includes up to $30,000 swingline which allows the Company to enter into an overdraft position, and

$80,000 letters of credit availability (December 31, 2025 - $100,000). Borrowings under the facility bear interest at variable rates based on the bank prime rate or Canadian benchmark rate plus a spread. A standby fee is payable quarterly on the unutilized portion of the facility.

At June 30, 2026, the Company has $3,506 letters of credit outstanding on the facility (December 31, 2025 – $539) and has drawn $50,000 on the facility (December 31, 2025 – $nil). Draws that are not expected to be settled in the Company's normal operating cycle are considered non-current loans and borrowings on the Company's statement of financial position as the amounts are not expected to be settled in the Company's normal operating cycle, and are not due to be repaid until the maturity of the facility in 2029.

Committed non-revolving term loan facility

In connection with the issuance of the senior unsecured notes on June 1, 2026, the Company fully repaid outstanding amounts on the previous committed non-revolving term loan facility and cancelled the facility. Prior to the cancellation, the term loan had scheduled quarterly repayments and incurred interest at variable rates based on the bank prime rate or Canadian benchmark rate plus a spread. As at June 30, 2026, there was no outstanding balance on the facility (December 31, 2025 – $209,375).

Accordion

The Syndicated Facility includes a non-committed accordion feature allowing the Company to increase the limit of the revolving credit facility up to an additional $100,000 in aggregate. Any increases under the accordion require creditor approval before becoming available to the Company.

Equipment financing

The Company has committed term credit facilities of up to $20,000 available to finance equipment purchases of which $625 is outstanding at June 30, 2026 (December 31, 2025 – $1,187). Borrowings under the facilities are secured by a first charge against the specific equipment financed using the facilities. Interest on the borrowings is charged at a fixed rate and is paid monthly in arrears.

The Company also has multiple, fixed interest rate, term loans which were used to finance equipment purchases. At June 30, 2026, the balance outstanding on these term loans amounted to $9,385 (December 31, 2025 – $9,633). Principal and interest are payable monthly, and these term loans are secured by a first charge against the specific equipment financed using these loans.

Letters of credit facilities

Letters of credit represent performance guarantees issued to support the Company’s performance obligations on major construction projects. The Company has authorized operating letters of credit facilities totalling $170,000. At June 30, 2026, letters of credit totalling $73,935 (December 31, 2025 – $61,844) were drawn on the facilities. All letters of credit issued under these facilities are supported by the pledge of Company-owned financial instruments, including cash, or through a guarantee from Export Development Canada (“EDC”).

The Company has an agreement with EDC to provide performance security guarantees of up to $120,000 for letters of credit issued by financial institutions on behalf of the Company. The Company uses this facility when letters of credit have been issued as contract security for projects that qualify for EDC coverage. At June 30, 2026, EDC has issued performance security guarantees totalling $73,935 (December 31, 2025 – $61,844).

17. Leases and right-of-use liabilities

The Company's lease contracts are effective for periods of one to ten years but may have extension options.

The following table provides details of the changes in the Company's ROU liabilities during the period ended June 30, 2026:

	June 30, 2026
Balance, December 31, 2025	$ 106,514
Additions	30,572
Interest	2,763
Lease terminations and modifications	(115)
Repayments	(23,605)
Balance, June 30, 2026	116,129
Current portion	33,921
Non-current	$ 82,208

The Company has established a number of operating lease facilities with the financing arms of major heavy equipment suppliers. These facilities include one with a fixed credit limit of $25,000, and the others being uncommitted and not subject to a fixed credit limit, providing flexibility to finance equipment leases as required. Draws under these facilities are generally recognized as ROU liabilities, with the lease obligations being secured by the specific leased equipment. At June 30, 2026, the Company had used $13,380 (December 31, 2025 – $13,024) under the fixed limit facility.

18. Stock warrant liabilities

In connection with the Company entering into a strategic partnership with a customer, on May 14, 2026, the Company agreed to issue stock warrants to the customer to acquire up to 2,625,000 common shares of the Company. The warrants vest in multiple tranches, each contingent on the achievement of specified performance milestones based on the delivery of qualifying future projects between the parties over a period of five years. Unvested tranches expire if the performance milestones are not met within the contractual timeframe. All vested warrants are exercisable for a period of seven years from the grant date, and may be exercised on a cash or cashless basis in accordance with the terms of the agreement.

The fair value of the stock warrants at the grant date was determined using an option pricing model with the following inputs:

	At grant date	June 30, 2026
Share price at grant date	$ 49.85	$ 64.73
Exercise price	$ 52.00	$ 52.00
Risk free rate	3.33 %	3.14 %
Expected life (years)	7.00	6.87
Dividend yield	1.69 %	1.30 %
Expected volatility	30 %	30 %

During the three and six month periods ended June 30, 2026, the Company recognized a fair value loss in the statement of income in finance and other costs of $8,017 on the fair value remeasurement of the stock warrant liabilities (2025 – $nil).

19. Income taxes

Provision for income taxes

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Income tax expense (recovery) comprised of:				
Current income taxes	**$ (153)**	$ (1,842)	**$ 4,846**	$ 5,960
Deferred income taxes	**10,715**	8,816	**9,676**	4,183
	$ 10,562	$ 6,974	**$ 14,522**	$ 10,143

Income tax rate reconciliation

	Six months ended June 30,	
	2026	2025
Combined federal and provincial income tax rate	**26.1%**	26.0%
Increase (reductions) applicable to:		
Non-taxable items	**(0.1%)**	0.3%
Other	**(0.2%)**	(0.7%)
Effective rate	**25.8%**	25.6%

The Company's statutory tax rate is based on the combined federal and provincial tax rates in the jurisdictions in which the Company operates.

20. Provisions

	Warranty claims and other	Legal	Total
Balance, December 31, 2025	**$ 2,294**	**$ 3,159**	**$ 5,453**
Provisions made during the period	**5,720**	**4,224**	**9,944**
Provisions used during the period	**(4,267)**	**(136)**	**(4,403)**
Provisions reversed during the period	**(1,210)**	**(9)**	**(1,219)**
Balance, June 30, 2026	**$ 2,537**	**$ 7,238**	**$ 9,775**

Various claims and litigation arise in the normal course of the construction business. It is the Company's opinion that an adequate provision has been made for any potential settlements relating to such matters and that they will not materially affect the financial position or future operations of the Company.

21. Other liabilities

	June 30, 2026	December 31, 2025
Liabilities for cash-settled share-based compensation plans (note 22)	$ 86,587	$ 55,057
Leasehold inducements	180	239
Acquisition holdback and other liability (note 6)	2,397	2,639
	89,164	57,935
Less: current portion		
Cash-settled share-based compensation plans (note 22)	28,737	25,668
Leasehold inducements	180	180
Acquisition holdback and other liability (note 6)	2,397	2,639
Current portion	31,314	28,487
Non-current portion	$ 57,850	$ 29,448

22. Share-based compensation plans

Medium term incentive plan ("MTIP"), Equity incentive plan ("EIP") and Deferred share unit ("DSU") plan

	June 30, 2026	December 31, 2025
MTIP liability	$ 1,823	$ 466
EIP liability	49,480	39,607
DSU liability	35,284	14,984
Liabilities for cash-settled share-based compensation plans	86,587	55,057
Less: current portion		
MTIP liability	820	38
EIP liability	27,917	25,630
Current portion	28,737	25,668
Non-current portion	$ 57,850	$ 29,389

	June 30, 2026		
	MTIP	EIP[1]	DSUs
Units, beginning of period	61,283	1,717,866	525,373
Granted [2]	5,794	411,366	19,715
Vested and paid	—	(756,922)	—
Units, end of period	67,077	1,372,310	545,088

[1] Based on underlying units before the impact of a performance multiplier, but after the effects of the dividend adjustment ratio and the estimated forfeiture rate.
[2] MTIP and DSU grants include dividend reinvestments.

During the first and second quarters of 2026, the Company granted 9,041 and 5,614 units under the DSU plan at a fair market value of $38.56 and $62.10 respectively, excluding dividend reinvestments. The Company also granted 380,785 units under the EIP plan in March 2026 and 9,802 units under the EIP plan and 5,196 units under the MTIP plan in the second quarter of 2026 at a fair market value ranging between $34.31 and $51.81, excluding dividend reinvestments.

Pursuant to the Company's MTIP plan the units vest over periods ranging from November 2026 to November 2030 and are cash settled no earlier than the vesting date. Payments pursuant to the Company's EIP vest over periods ranging from July 2026 to November 2030 and are cash settled no earlier than the vesting dates. Payments pursuant to the Company's DSU Plan are cash settled no later than December 31 of the following year in which the Director ceases to hold any position within the Company.

Expenses (recoveries) arising from share-based payment transactions[1]

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
MTIP	**$ 947**	$ 312	**$ 1,356**	$ 407
EIP	**24,369**	11,795	**43,554**	9,618
DSU	**13,858**	5,231	**20,300**	2,859
	$ 39,174	$ 17,338	**$ 65,210**	$ 12,884

[1] Expenses are before the effect of the TRS derivative contract.

The Company entered into a TRS derivative contract for the purpose of managing its exposure to changes in the fair value of its MTIP, EIP and DSU share-based compensation plans, due to changes in the fair value of the Company's common shares. The Company recognized a gain of $35,176 and $58,113 on these derivatives in the statement of income in general and administrative expenses and costs of construction for the three and six month periods ended June 30, 2026 (2025 - $15,859 gain and $7,046 gain).

23. Shareholders' capital

The Company is authorized to issue an unlimited number of common shares. The Company is authorized to issue unlimited preference shares, which can be issued in series with rights set by the Board of Directors. As at June 30, 2026 and December 31, 2025, no preferred shares have been issued.

	June 30, 2026	
	Number of shares	**Amount**
Balance, December 31, 2025	**55,382,831**	**$ 155,020**
Common shares issued	**20,467**	**990**
Balance, June 30, 2026	**55,403,298**	**$ 156,010**

24. Finance and other income

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Interest on cash balances	**$ 1,229**	$ 1,210	**$ 2,337**	$ 2,810
Other	**15**	20	**30**	46
	$ 1,244	$ 1,230	**$ 2,367**	$ 2,856

25. Finance and other costs

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Interest on syndicated credit facility and equipment financing	**$ 3,521**	$ 3,967	**$ 6,842**	$ 6,797
Interest on senior notes	**952**	—	**952**	—
Interest on ROU liabilities	**1,347**	1,423	**2,763**	3,106
Fair value loss (gain) on warrant liabilities	**8,017**	—	**8,017**	—
Other	**431**	$ 762	**1,146**	$ 1,401
	$ 14,268	$ 6,152	**$ 19,720**	$ 11,304

Included in other finance costs is interest related to the Company's TRS derivative contract.

26. Other cash flow information

Changes in non-cash working capital relating to operating activities

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	**2026**	2025
Accounts receivable	**$ (202,280)**	$ (53,098)	**$ (212,006)**	$ 18,037
Contract assets	**(19,321)**	(24,338)	**(19,128)**	(33,894)
Inventory and prepaid expenses	**1,519**	(1,527)	**(994)**	(278)
Other assets	**696**	(3)	**723**	(7)
Accounts payable	**121,822**	(33,993)	**79,056**	(106,186)
Contract liabilities	**86,422**	(5,859)	**156,002**	(47,426)
Provisions	**2,978**	341	**4,322**	905
Deferred compensation plan expense and other	**—**	(690)	**(21,055)**	(21,124)
	$ (8,164)	$ (119,167)	**$ (13,080)**	$ (189,973)

27. Financial instruments

Carrying values and fair values

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

The hierarchy of inputs is summarized in note 31 to the Company's December 31, 2025, annual consolidated financial statements.

The Company's TRS derivative contract (note 10) and stock warrant liabilities (note 18) are classified as Level 2 measurements in the fair value hierarchy.

There were no transfers between levels in the fair value hierarchy during the three and six month periods ended June 30, 2026 and 2025.

The fair value of the Company's loans and borrowings approximates their carrying values on a discounted cash flow basis as the majority of these obligations bear interest at market rates. The fair values of the remaining financial instruments approximate their carrying values due to their relatively short periods to maturity.

Financial risk management

In the normal course of business, the Company is exposed to several risks related to financial instruments that can affect its operating performance. These risks and the actions taken to manage them are as follows:

i. Credit risk

Credit risk relates to the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet their contractual obligation.

With respect to accounts receivable, concentration of credit risk is limited due to the geographic dispersion of revenues and a diversified customer base. Before entering into any construction contract and during the course of the construction project, the Company satisfies itself that the customer has adequate resources to fulfill its contractual payment obligations as construction work is completed. If a customer is unable or unwilling to pay the amount owing, the Company will generally have a right to register a lien against the project that will normally provide some security that the amount owed would be realized.

Short-term deposits and short-term investments, if any, are subject to minimal credit risk as they are placed with only major Canadian financial institutions. Where reasonably practical, these investments are placed with several different Canadian financial institutions, thereby reducing the Company's exposure to a default by any one financial institution.

At June 30, 2026, accounts receivable outstanding for greater than 90 days and considered past due by the Company represent 10.6% (December 31, 2025 – 14.0%) of the balance of progress billings on construction contracts receivable. The Company has recorded an allowance of $139 (December 31, 2025 – $78) against these past due receivables, net of amounts recoverable from others.

ii. Liquidity risk

Liquidity risk relates to the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages this risk through management of its capital structure, monitoring and reviewing actual and forecasted cash flows and the effect on bank covenants, and maintaining unused credit facilities where possible to ensure there are available cash resources to meet the Company's liquidity needs. In managing liquidity risk, the Company has access to committed short and long-term debt facilities as well as equity markets, the availability of which is dependent on market conditions.

The Company has working capital of $412,671 (December 31, 2025 – $264,710) which is available to support surety requirements related to construction projects. Working capital is calculated as total current assets less total current liabilities. As a component of working capital, the Company maintains significant balances of cash and cash equivalents. These balances, less $36,538 held in restricted trust accounts and $154,877 in cash held for joint operations, are available to meet the general financial obligations of the Company as they become due. Restricted cash in trust is held in segregated accounts for payment obligations on certain projects. Refer to note 16 in respect of the Syndicated Facility and the Company's other debt instruments, which further improve the Company's access to liquidity. At June 30, 2026, the Company had a total undrawn balance on its committed revolving credit facility of $446,494 (December 31, 2025 – $399,461). Also, the Company has a non-committed accordion of up to an additional $100,000 to increase the limit of the committed revolving credit facility. The Company also has committed term credit facilities of up to $20,000 (December 31, 2025 – $40,000) available to finance equipment purchases of which $19,375 is undrawn as at June 30, 2026 (December 31, 2025 – $38,813). The Company believes that it has access to sufficient funding through the use of these facilities and its cash and cash equivalents to meet its foreseeable operating requirements.

iii. Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and corporate bond yields, will affect the Company's income or the value of its holdings in liquid securities.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that its credit facilities and TRS derivatives are based on variable rates of interest.

At June 30, 2026, a one percent change in the interest rate applied to the Company's variable rate loans and borrowings and TRS derivative would change annual income before income taxes by approximately $798 (2025 – $3,313).

The Company has certain share-based compensation plans, where the values are based on the common share price of the Company. At June 30, 2026, a 10 percent change in the share price applied to the Company's share-based compensation plans would change income before income taxes by approximately $8,586 (2025 – $5,285).

To partially offset the costs of the share-based compensation plans, the Company has fixed a portion of the settlement costs of these plans by entering into a TRS derivative contract maturing in 2027. The TRS derivative is not designated as a hedge. The change in the value of the TRS derivative is recorded each quarter based on the difference between the notional price and the market price of the Company's common shares at the end of each quarter. The TRS derivative is classified as a derivative financial instrument. At June 30, 2026, a 10 percent change in the share price applied to the Company's TRS derivative would change the fair value of the derivative by approximately $9,089 (2025 – $6,334), with a corresponding impact to income before income taxes.

The Company has stock warrant liabilities where the fair values are determined using, among other assumptions, the Company's common share price. At June 30, 2026, holding all other assumptions constant, a 10 percent increase in the Company's share price would increase the stock warrant liability and decrease income before income taxes by approximately $3,616, while a 10 percent decrease in the Company's share price would decrease the stock warrant liabilities and increase income before income taxes by $3,456 (2025 – n/a).

iv. Currency risk

Currency risk is the risk that fluctuations in currency exchange rates will affect the Company's net income. The Company uses foreign currency to settle payments to vendors and subcontractors in the foreign currency. Foreign currency risk is managed by the Company through the use of foreign currency derivatives. At June 30, 2026, a 10 percent movement in the Canadian and U.S. dollar exchange rate would have changed the carrying value of U.S. dollar denominated assets and liabilities by approximately $495 (2025 – $191), with a corresponding impact to income before income taxes.

28. Commitments and contingencies

Commitments

Outstanding surety lien bonds issued on behalf of the Company in connection with liens by subcontractors and suppliers at June 30, 2026 totalled $74,150 (December 31, 2025 – $98,469). The Company has a minority equity interest in a PPP concession entity (note 12), which requires the Company to make $2,967 in future capital injections. This commitment has been secured by a letter of credit totalling $2,967 (December 31, 2025 - $nil).

Contingencies

The Company is contingently liable for the usual contractor's obligations relating to performance and completion of construction contracts. These include the Company's contingent liability for the performance obligations of its subcontractors. Where possible and appropriate, the Company obtains performance bonds, subcontract/supplier insurance or alternative security from subcontractors. However, where this is not possible, the Company is exposed to the risk that subcontractors will fail to meet their performance obligations. In that eventuality, the Company would be obliged to complete the subcontractor's contract, generally by engaging another subcontractor, and the cost of completing the work could exceed the original subcontract price. The Company makes appropriate provision in the financial statements for all known liabilities relating to subcontractor defaults.

29. Eligible dividends declared with a record date subsequent to statement date

As of the date of the approval of these financial statements, the Board of Directors has declared eligible dividends with a record date subsequent to the date of the financial statements, for the following months:

Eligible dividends declared	Record date	Payment date	Dividend per share
July dividend	July 31, 2026	August 20, 2026	$0.0700
August dividend	August 31, 2026	September 18, 2026	$0.0700
September dividend	September 30, 2026	October 20, 2026	$0.0700
October dividend	October 30, 2026	November 20, 2026	$0.0700