

Aecon reports first quarter 2022 results

- Positive outlook maintained for 2022 supported by strong level of backlog and new awards -

TORONTO, April 27, 2022 /CNW/ - Aecon Group Inc. (TSX: ARE) today reported results for the first quarter of 2022 with year-over-year increases in revenue, profitability, and new contract awards, and backlog of \$6.4 billion as at March 31, 2022.

"Aecon is a partner-of-choice on some of the nation's most transformative infrastructure projects, including our recent selection for the unprecedented GO Rail Expansion project to design, build, operate and modernize transit in Ontario for generations to come," said Jean-Louis Servranckx, President and Chief Executive Officer, Aecon Group Inc. "Supported by a diversified backlog, significant level of new awards, strong demand environment for our services, and growing recurring revenue programs, we are poised for future growth and profitability in 2022 and beyond."

HIGHLIGHTS

- Revenue for the three months ended March 31, 2022 of \$986 million was \$232 million, or 31 per cent, higher compared to the same period in 2021.
- Adjusted EBITDA of \$20.6 million for the three months ended March 31, 2022 (margin of 2.1 per cent) compared to Adjusted EBITDA of \$20.8 million (margin of 2.8 per cent) in the same period in 2021, and operating loss of \$9.6 million compared to an operating loss of \$10.2 million in the same period in 2021.
- After adjusting for the impact of amounts related to the Canada Emergency Wage Subsidy ("CEWS") in the first quarter of 2021, Adjusted EBITDA of \$20.6 million increased by \$7.6 million and operating loss of \$9.6 million improved by \$8.4 million for the three months ended March 31, 2022 compared to the same period in 2021.
- Net loss of \$17.4 million (diluted loss per share of \$0.29) for the three months ended March 31, 2022 compared to a net loss of \$18.4 million (diluted loss per share of \$0.31) during the same period in 2021, before adjusting for the impact of CEWS in 2021.
- Reported backlog as at March 31, 2022 of \$6,423 million compares to backlog of \$5,913 million as at March 31, 2021.
- New contract awards of \$1,211 million were booked in the first quarter of 2022 compared to \$213 million in the same period in 2021.
- The Bermuda L.F. Wade International Airport Redevelopment project was recognized with the Gold Award for Transport Project of the Year at the P3 Awards 2021, recognizing the best in P3 infrastructure projects globally.
- Aecon's third annual Sustainability Report - *Building Innovation* - was released on April 22, outlining Aecon's progress and key accomplishments in responsible ESG practices. The report highlights Aecon's initiatives to embed sustainable innovations and work towards net-zero construction throughout its operations. Aecon is pleased to report significant progress toward its target to achieve a 30 per cent reduction in direct CO₂ emissions by 2030, with a 15 per cent year-over-year emissions reduction on an intensity basis.
- In addition to the strong level of awards in the first quarter of 2022, subsequent to quarter-end:
 - Aecon was awarded a US\$170 million contract by the Government of Saint Vincent and the Grenadines for the design and build of the Kingstown Port Modernization Project Works, Lot 1: Primary Cargo Port. The value of the contract will be added to Aecon's Construction segment backlog in the second quarter of 2022, with an initial design period expected to commence in May 2022.
 - ONxpress Transportation Partners, a consortium in which Aecon holds a 50 per cent interest in a civil joint venture, which is undertaking construction, and a 28 per cent interest in a 25-year operations and maintenance partnership, executed an agreement with Metrolinx and Infrastructure Ontario to deliver the multi-billion-dollar GO Rail Expansion On-Corridor Works project in the Greater Golden Horseshoe Area. The contract begins with a two-year collaborative development phase to finalize the scope, commercial structure and pricing of various elements of the project. Certain construction and early works activities will commence during this phase, with operations and maintenance anticipated to commence in the second quarter of 2024. Further information on the contract value and schedule will be disclosed once the development phase is completed.

CONSOLIDATED FINANCIAL HIGHLIGHTS⁽¹⁾

\$ millions (except per share amounts)

	March 31	
	2022	2021
Revenue	\$ 985.9	\$ 754.0
Gross profit	61.1	57.3
Marketing, general and administrative expense	(53.1)	(47.7)
Income from projects accounted for using the equity method	3.0	2.6
Other income	2.3	0.4
Depreciation and amortization	(22.9)	(22.8)
Operating loss	(9.6)	(10.2)

Finance income	0.1	0.1
Finance cost	(11.8)	(10.8)
Loss before income taxes	(21.3)	(20.9)
Income tax recovery	3.9	2.5
Loss	\$ (17.4)	\$ (18.4)
Gross profit margin⁽⁴⁾	6.2%	7.6%
MG&A as a percent of revenue⁽⁴⁾	5.4%	6.3%
Adjusted EBITDA⁽²⁾	20.6	20.8
Adjusted EBITDA Margin⁽³⁾	2.1%	2.8%
Operating margin⁽⁴⁾	(1.0)%	(1.4)%
Loss per share – basic	\$ (0.29)	\$ (0.31)
Loss per share – diluted	\$ (0.29)	\$ (0.31)
Backlog⁽²⁾	\$ 6,423	\$ 5,913

(1) This press release presents certain non-GAAP and supplementary financial measures, as well as non-GAAP ratios to assist readers in understanding the Company's performance (GAAP refers to Canadian Generally Accepted Accounting Principles). Further details on these measures and ratios are included in the "Non-GAAP And Supplementary Financial Measures" section of this press release.

(2) This is a non-GAAP financial measure. Refer to the "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each non-GAAP financial measure.

(3) This is a non-GAAP ratio. Refer to "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each non-GAAP ratio.

(4) This is a supplementary financial measure. Refer to the "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each supplementary financial measure.

Revenue for the three months ended March 31, 2022 of \$986 million was \$232 million, or 31%, higher compared to the same period in 2021. Revenue was higher in the Construction segment (\$228 million) driven by increases in industrial (\$90 million), civil (\$64 million), nuclear (\$41 million) and utilities operations (\$38 million), partially offset by lower revenue in urban transportation solutions (\$5 million). In the Concessions segment, higher revenue of \$3 million for the three months ended March 31, 2022 was primarily due to the improvement of commercial flight operations at the Bermuda International Airport. Inter-segment revenue eliminations decreased by \$1 million, primarily due to lower revenue between the Concessions and Construction segments.

Operating loss of \$9.6 million for the three months ended March 31, 2022 improved by \$0.6 million compared to an operating loss of \$10.2 million in the same period in 2021. Operating profit in the first quarter of 2021 included a net positive impact from amounts related to the Canada Emergency Wage Subsidy ("CEWS") program of \$7.8 million, recorded in the Construction segment as cost recovery within gross profit. The largest driver of the period-over-period improvement in operating profit was higher gross profit of \$3.8 million. After adjusting for the net impact of CEWS amounts reported in the first quarter of 2021, gross profit increased period-over-period by \$11.6 million. In the Construction segment, gross profit increased by \$6.9 million primarily from higher volume and gross profit margin in civil operations and from higher volume in nuclear and utilities operations. Partially offsetting these increases was lower gross profit margin in urban transportation solutions and industrial operations. In the Concessions segment, gross profit increased by \$4.2 million primarily from an improvement in results from airport operations at the Bermuda International Airport.

MG&A increased in the first quarter of 2022 by \$5.4 million compared to the same period in 2021, driven primarily by higher personnel costs and project pursuit and bid costs. However, MG&A as a percentage of revenue decreased from 6.3% in the first quarter of 2021 to 5.4% in the first quarter of 2022.

Aecon's participation in projects that are classified for accounting purposes as a joint venture or an associate, as opposed to a joint operation, are accounted for using the equity method of accounting. In the three months ended March 31, 2022, Aecon reported income of \$3.0 million from projects accounted for using this method of accounting, an increase of \$0.4 million. The increase occurred in the Concessions segment (\$0.4 million) from light rail transit ("LRT") projects in Ontario.

Reported backlog as at March 31, 2022 of \$6,423 million compared to backlog of \$5,913 million as at March 31, 2021. New contract awards of \$1,211 million were booked in the first quarter of 2022 compared to \$213 million in the same period in 2021.

REPORTING SEGMENTS

Aecon reports its financial performance on the basis of two segments: Construction and Concessions.

CONSTRUCTION SEGMENT

Financial Highlights

\$ millions	Three months ended	
	March 31	
	2022	2021
Revenue	\$ 971.6	\$ 744.1
Gross profit	\$ 56.5	\$ 57.4
Adjusted EBITDA ⁽¹⁾	\$ 19.3	\$ 22.1

Operating profit	\$ 1.3	\$ 4.0
Gross profit margin ⁽³⁾	5.8%	7.7%
Adjusted EBITDA margin ⁽²⁾	2.0%	3.0%
Operating margin ⁽³⁾	0.1%	0.5%
Backlog ⁽¹⁾	\$ 6,337	\$ 5,838

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(2) This is a non-GAAP ratio. Refer to the "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each non-GAAP ratio.

(3) This is a supplementary financial measure. Refer to the "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each supplementary financial measure.

Revenue in the Construction segment for the three months ended March 31, 2022 of \$972 million was \$228 million, or 31%, higher compared to the same period in 2021. Construction segment revenue was higher in industrial operations (\$90 million) due to increased activity on mainline pipeline work in western Canada and higher field construction work at mining and chemical facilities, in civil operations (\$64 million) from an increase in major projects and roadbuilding construction work, in nuclear operations (\$41 million) driven by increased volume of refurbishment work at nuclear generating stations in Ontario and the U.S., and in utilities operations (\$38 million) from increased volume of oil and gas distribution, high-voltage electrical transmission, and telecommunications work. Partially offsetting these increases was lower revenue in urban transportation solutions (\$5 million) driven primarily by a lower volume of LRT project work in Ontario.

Operating profit in the Construction segment of \$1.3 million in the first three months of 2022 decreased by \$2.7 million compared to an operating profit of \$4.0 million in the same period in 2021. Construction segment operating profit in the first quarter of 2021 included a net positive impact from amounts related to the CEWS program of \$7.8 million. After adjusting for the net impact of CEWS amounts reported in 2021, period-over-period operating profit increased by \$5.1 million. This increase resulted primarily from higher volume and gross profit margin in civil operations and higher volume in nuclear and utilities operations. These increases were partially offset by lower gross profit margin in urban transportation solutions and industrial operations.

Construction backlog as at March 31, 2022 was \$6,337 million compared to \$5,838 million at the same time in 2021. Backlog increased period-over-period in civil (\$427 million), industrial (\$241 million) and nuclear operations (\$239 million), while backlog was lower in urban transportation solutions (\$378 million) and utilities (\$30 million). New contract awards of \$1,193 million in the first quarter of 2022 were \$992 million higher than the same period in 2021.

CONCESSIONS SEGMENT

Financial Highlights

\$ millions	Three months ended	
	March 31	
	2022	2021
Revenue	\$ 14.4	\$ 11.4
Gross profit	\$ 4.4	\$ 0.3
Income from projects accounted for using the equity method	\$ 3.4	\$ 2.9
Adjusted EBITDA ⁽¹⁾	\$ 13.6	\$ 9.6
Operating profit (loss)	\$ 1.5	\$ (3.0)
Backlog ⁽¹⁾	\$ 86	\$ 75

(1) This is a non-GAAP financial measure. Refer to the "Non-GAAP And Supplementary Financial Measures" section of this press release for more information on each non-GAAP financial measure.

Aecon holds a 100% interest in Bermuda Skyport Corporation Limited ("Skyport"), the concessionaire responsible for the Bermuda airport's operations, maintenance and commercial functions, and the entity that will manage and coordinate the overall delivery of the Bermuda International Airport Redevelopment Project over a 30-year concession term that commenced in 2017. On December 9, 2020, Skyport opened the new passenger terminal building at the L.F. Wade International Airport. Aecon's participation in Skyport is consolidated and, as such, is accounted for in the consolidated financial statements by reflecting, line by line, the assets, liabilities, revenue and expenses of Skyport. However, Aecon's concession participation in the Eglinton Crosstown LRT, Finch West LRT, Gordie Howe International Bridge, and Waterloo LRT projects are joint ventures that are accounted for using the equity method.

For the three months ended March 31, 2022, revenue in the Concessions segment of \$14 million was \$3 million higher than the same period in 2021. This higher period-over-period revenue was primarily due to an increase in airport operations (\$3 million) at the Bermuda International Airport. Commercial flight operations in Bermuda continue to operate at a reduced volume due to COVID-19 compared to pre-pandemic levels but have partially recovered from the more severe impacts experienced in 2020 and 2021. Included in Concessions' revenue for the first quarter of 2022 was \$nil of construction revenue that was eliminated on consolidation as inter-segment revenue (compared to \$1 million in the first quarter of 2021).

Operating profit in the Concessions segment of \$1.5 million for the three months ended March 31, 2022 improved by \$4.5 million compared to an operating loss of \$3.0 million in the first three months of 2021, primarily due to results from the Bermuda International Airport.

Except for Operations and Maintenance ("O&M") activities under contract for the next five years and that can be readily quantified, Aecon does not include in its reported backlog expected revenue from concession agreements. As such, while Aecon expects future revenue from its concession assets, no concession backlog, other than from such O&M activities for the next five years, is reported.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2022, Aecon had a committed revolving credit facility of \$600 million, of which \$105 million was drawn and \$3 million utilized for letters of credit. When combined with an additional \$900 million performance security guarantee facility to support letters of credit provided by Export Development Canada, Aecon's committed credit facilities for working capital and letter of credit requirements total \$1,500 million. The Company has no debt or working capital credit facility maturities until the second half of 2023, except equipment and property loans and leases in the normal course. As at March 31, 2022, Aecon was in compliance with all debt covenants related to its credit facility.

OUTLOOK

Aecon's overall outlook for 2022 remains positive with strong backlog of \$6.4 billion at the end of the first quarter, growing recurring revenue programs, and a continued strong demand environment for construction services across North America. The Company expects that demand for its services will remain healthy for the foreseeable future as federal and local governments across Canada and the US have identified investment in infrastructure as a key source of stimulus as part of economic recovery plans. An Aecon consortium has been selected to deliver the transformative, multi-billion-dollar GO Rail Expansion On-Corridor Works project in Ontario under a progressive design, build, operate and maintain contract model. Aecon is also pre-qualified on a number of large project bids due to be awarded during 2022 and has a robust pipeline of opportunities to further add to backlog over time. Recurring revenue is expected to continue to grow driven by demand in the utilities sector, particularly in telecom and power-related work, and the Concessions segment is expected to see airport traffic in Bermuda continue its recovery during 2022 from the impact of the COVID-19 pandemic.

The Company is encouraged by the generally positive trend in the lifting of social and economic restrictions in Canada and other jurisdictions related to COVID-19; however, COVID-19 continues to impact the Company's operating environment, including its impact on air traffic related to the Bermuda International Airport as well as labour availability, supply chain disruption, and the rate of inflation. Until a return to a more normal operating environment, and inflation and supply chain disruption subsides, there is no guarantee that all related costs will be recovered and therefore it is possible that future project margins could be impacted.

In the Construction segment, Aecon continues to be well positioned to successfully bid on, secure and deliver major infrastructure projects for government and the private sector as demonstrated by recent awards, growth in recurring revenue programs, and strong backlog. Bidding activity continues to be robust with a number of the Company's larger pursuits expected to be awarded in 2022. With strong and diverse backlog in hand, Aecon is focused on ensuring solid execution on its projects and selectively adding to backlog through a disciplined bidding approach that supports continued margin improvement in this segment.

In the Concessions segment, in addition to expecting a gradual recovery in travel through the Bermuda International Airport during 2022, there are a number of opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months, including in the US, where Aecon is pre-qualified to bid on the I-10 Calcasieu River Bridge P3 Project in Louisiana, and in innovative projects with private sector clients that support a collective focus on sustainability and the transition to a net-zero economy.

As noted above, the overall outlook for 2022 is positive with construction continuing on a number of projects that ramped up in 2020 and 2021, a strong level of backlog, and a robust demand environment for Aecon's services, including recurring revenue programs, all subject to the potential for a further deterioration in external economic factors.

CONSOLIDATED RESULTS

The consolidated results for the three months ended March 31, 2022 and 2021 are available at the end of this news release.

CONSOLIDATED BALANCE SHEET

\$ thousands (unaudited)	March 31 2022	December 31 2021
Cash and cash equivalents and restricted cash	\$ 519,106	\$ 630,691
Other current assets	1,596,450	1,515,025
Property, plant and equipment	378,467	379,506
Other long-term assets	765,493	761,595
Total Assets	\$ 3,259,516	\$ 3,286,817
Current portion of long-term debt - recourse	\$ 58,951	\$ 58,568
Current portion of long-term project debt - non-recourse	3,088	2,957
Other current liabilities	1,402,455	1,407,994
Long-term debt - recourse	166,703	166,327
Long-term project debt - non-recourse	347,504	354,580
Long-term portion of convertible debentures	175,130	173,898
Other long-term liabilities	212,057	208,927
Equity	893,628	913,566
Total Liabilities and Equity	\$ 3,259,516	\$ 3,286,817

CONFERENCE CALL

A conference call and live webcast has been scheduled for 10 a.m. (Eastern Time) on Thursday, April 28, 2022. Participants should dial 1-833-950-0062 or 1-226-828-7575 at least 10 minutes prior to the conference time. The conference ID is **583427**. An accompanying presentation of the first quarter 2022 financial results will be available after market close on April 27, 2022 at www.aecon.com/investing.

A live webcast of the conference call will also be available at www.aecon.com/InvestorCalendar.

Participants should join the webcast at least 15 minutes prior to the conference time to register and install any necessary software. For those unable to attend the call, a replay will be available after 2 p.m. on April 28, 2022 at 1-866-813-9403 or 1-929-458-6194, or [online](#) until midnight on May 12, 2022. The access code is **102265**. A replay of the webcast will also be available within 24 hours following the call.

AECON 2022 ANNUAL GENERAL MEETING

Aecon's Annual General Meeting will be held virtually on Tuesday, June 7, 2022. Additional details will be set out in the Notice of Meeting and Record Date to be filed on SEDAR.

ABOUT AECON

As a Canadian leader in construction and infrastructure development with global expertise, Aecon Group Inc. (TSX: ARE) strives to be the number one Canadian infrastructure company and is proud to be recognized as one of the Best Employers in Canada. Aecon safely, profitably and sustainably delivers integrated solutions to private and public-sector clients through its Construction segment in the Civil, Urban Transportation, Nuclear, Utility and Industrial sectors, and provides project development, financing, investment and management services through its Concessions segment. Join our online community on Twitter, LinkedIn, Facebook and Instagram @AeconGroup.

NON-GAAP AND SUPPLEMENTARY FINANCIAL MEASURES

This press release presents certain non-GAAP and supplementary financial measures, as well as non-GAAP ratios to assist readers in understanding the Company's performance (GAAP refers to Canadian Generally Accepted Accounting Principles). These measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Management uses these non-GAAP and supplementary financial measures, as well as certain non-GAAP ratios to analyze and evaluate operating performance. Aecon also believes the financial measures defined below are commonly used by the investment community for valuation purposes, and are useful complementary measures of profitability, and provide metrics useful in the construction industry. The most directly comparable measures calculated in accordance with GAAP are profit (loss) attributable to shareholders or earnings (loss) per share.

Throughout this press release, the following terms are used, which are not found in the Chartered Professional Accountants of Canada Handbook and do not have a standardized meaning under GAAP.

Non-GAAP Financial Measures

A non-GAAP financial measure: (a) depicts the historical or expected future financial performance, financial position or cash flow of the Company; (b) with respect to its composition, excludes an amount that is included in, or includes an

amount that is excluded from, the composition of the most comparable financial measure presented in the primary consolidated financial statements; (c) is not presented in the primary financial statements of the Company; and (d) is not a ratio.

Non-GAAP financial measures presented and discussed in this press release are as follows:

Primary financial statements

- **"Adjusted EBITDA"** represents operating profit (loss) adjusted to exclude depreciation and amortization, the gain (loss) on sale of assets and investments, and net income (loss) from projects accounted for using the equity method, but including "Equity Project EBITDA" from projects accounted for using the equity method (refer to Section 9 - "Quarterly Financial Data" in the Company's Management's Discussion and Analysis ("MD&A") available through the System for Electronic Document Analysis and Retrieval at www.sedar.com for a quantitative reconciliation to the most comparable financial measure).
- **"Equity Project EBITDA"** represents Aecon's proportionate share of the earnings or losses from projects accounted for using the equity method before depreciation and amortization, finance income, finance cost and income tax expense (recovery) (refer to Section 9 "Quarterly Financial Data" in the Company's MD&A available through the System for Electronic Document Analysis and Retrieval at www.sedar.com for a quantitative reconciliation to the most comparable financial measure).
- **"Backlog"** means the total value of work that has not yet been completed that: (a) has a high certainty of being performed as a result of the existence of an executed contract or work order specifying job scope, value and timing; or (b) has been awarded to Aecon, as evidenced by an executed binding letter of intent or agreement, describing the general job scope, value and timing of such work, and where the finalization of a formal contract in respect of such work is reasonably assured. O&M activities are provided under contracts that can cover a period of up to 30 years. In order to provide information that is comparable to the backlog of other categories of activity, Aecon limits backlog for O&M activities to the earlier of the contract term and the next five years.

Primary financial statements include any of the following: the consolidated balance sheets, the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in equity, and the consolidated statements of cash flows.

Key financial measures presented in the primary financial statements of the Company and discussed in this press release are as follows:

- **"Gross profit"** represents revenue less direct costs and expenses. Not included in the calculation of gross profit are marketing, general and administrative expense ("MG&A"), depreciation and amortization, income (loss) from projects accounted for using the equity method, other income (loss), finance income, finance cost, income tax expense (recovery), and non-controlling interests.
- **"Operating profit (loss)"** represents the profit (loss) from operations, before finance income, finance cost, income tax expense (recovery) and non-controlling interests.

The above measures are presented on the face of the Company's consolidated statements of income and are not meant to be a substitute for other subtotals or totals presented in accordance with International Financial Reporting Standards ("IFRS"), but rather should be evaluated in conjunction with such IFRS measures.

Non-GAAP Ratios

A non-GAAP ratio is a financial measure presented in the form of a ratio, fraction, percentage or similar representation and that has a non-GAAP financial measure as one of its components.

A non-GAAP ratio presented and discussed in this press release is as follows:

Supplementary Financial Measures

- **"Adjusted EBITDA margin"** represents Adjusted EBITDA as a percentage of revenue.

A supplementary financial measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is not presented in the financial statements of the Company, (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio.

Key supplementary financial measures presented discussed in this press release are as follows:

STATEMENT ON FORWARD-LOOKING INFORMATION

- **"Gross profit margin"** represents gross profit as a percentage of revenue.
- **"Operating margin"** represents operating profit (loss) as a percentage of revenue.
- **"MG&A as a percent of revenue"** represents marketing, general and administrative expense as a percentage of revenue.

The information in this press release includes certain forward-looking statements. These forward-looking statements are based on currently available competitive, financial and economic data and operating plans but are subject to risks and uncertainties. Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, ongoing objectives, strategies and outlook for Aecon, including statements regarding the sufficiency of Aecon's liquidity and working capital requirements for the foreseeable future. Forward-looking statements may in some cases be identified by words such as "will," "plans," "believes," "expects," "anticipates," "estimates," "projects," "intends," "should" or the negative of these terms, or similar expressions. In addition to events beyond Aecon's control, there are factors which could cause actual or future results, performance or achievements to differ materially from those expressed or inferred herein including, but not limited to: the timing of projects, unanticipated costs and expenses, the failure to recognize and adequately respond to climate change concerns or public and governmental expectations on climate matters, general market and industry conditions and operational and reputational risks, including large project risk and contractual factors, and risks relating to the COVID-19 pandemic. Risk factors are discussed in greater detail in Section 13 – "Risk Factors" in the 2021 Annual MD&A dated March 1, 2022 and available through SEDAR at www.sedar.com. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Aecon undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

CONSOLIDATED STATEMENT OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

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

	March 31 2022	March 31 2021
Revenue	\$ 985,914	\$ 754,030
Direct costs and expenses	(924,822)	(696,697)
Gross profit	61,092	57,333
Marketing, general and administrative expense	(53,111)	(47,691)
Depreciation and amortization	(22,874)	(22,848)
Income from projects accounted for using the equity method	3,021	2,618
Other income	2,237	365
Operating loss	(9,635)	(10,223)
Finance income	103	127
Finance cost	(11,787)	(10,775)
Loss before income taxes	(21,319)	(20,871)
Income tax recovery	3,876	2,460
Loss for the period	\$ (17,443)	\$ (18,411)
Basic loss per share	\$ (0.29)	\$ (0.31)
Diluted loss per share	\$ (0.29)	\$ (0.31)

SOURCE Aecon Group Inc.

View original content: <http://www.newswire.ca/en/releases/archive/April2022/27/c5752.html>

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