



Aecon reports second quarter 2025 results with record backlog of \$10.7 billion

TORONTO, July 31, 2025 -- Aecon Group Inc. (TSX: ARE) ("Aecon" or the "Company") today reported results for the second quarter of 2025.

"Driven by record backlog of \$10.7 billion, solid recurring revenue programs, a robust bid pipeline, and the impact of strategic acquisitions in 2024, revenue in 2025 is expected to be stronger than last year," said Jean-Louis Servranckx, President and Chief Executive Officer, Aecon Group Inc. "Aecon is pleased to be delivering North America's three largest nuclear refurbishments, executing and pursuing a growing set of nuclear opportunities in the U.S. and globally, and leading the construction of North America's first commercial, grid-scale Small Modular Reactor (SMR) for Ontario Power Generation following commencement of the execution phase on the Darlington New Nuclear Project in the second quarter."

HIGHLIGHTS

All quarterly financial information contained in this news release is unaudited.

- Revenue for the three months ended June 30, 2025 of \$1,302 million was \$448 million, or 52%, higher compared to the same period in 2024.
- Operating profit of \$2.3 million for the three months ended June 30, 2025 compared to an operating loss of \$166.3 million for the same period in 2024.
- Adjusted EBITDA⁽¹⁾⁽²⁾ of \$41.1 million for the three months ended June 30, 2025 (Adjusted EBITDA margin⁽³⁾ of 3.2%) compared to Adjusted EBITDA of \$(153.5) million (Adjusted EBITDA margin of (18.0%)) in the same period in 2024. The increase in the quarter was largely due to a decrease in losses on the fixed price legacy projects of \$198.2 million (i.e. negative gross profit of \$38.8 million in the second quarter of 2025 compared to negative gross profit of \$237.0 million in the second quarter of 2024). The fixed price legacy projects are discussed in Section 5 "Recent Developments" and Section 10.2 "Contingencies" in the Company's June 30, 2025 Management's Discussion and Analysis ("MD&A"), and Section 13 "Risk Factors" in the 2024 Annual MD&A.
- Loss attributable to shareholders of \$7.6 million (diluted loss per share of \$0.12) for the three months ended June 30, 2025 compared to loss attributable to shareholders of \$123.9 million (diluted loss per share of \$1.99) in the same period in 2024.
- Reported backlog at June 30, 2025 of \$10,746 million compared to backlog of \$6,186 million at June 30, 2024. The June 30, 2025 balance represents the highest reported backlog in the history of Aecon. New contract awards of \$2,351 million were booked in the second quarter of 2025 compared to \$766 million in the same period in 2024.
- An Aecon-led general partnership was awarded an alliance construction contract by Ontario Power Generation for the execution phase on the Darlington New Nuclear Project in Ontario. Aecon's share of the contract is valued at approximately \$1.3 billion and was added to its Construction segment backlog in the second quarter of 2025.
- The Oneida Energy Storage Project in Ontario officially commenced commercial operations, becoming the largest grid-scale battery energy storage facility in operation in Canada and one of the largest globally. Aecon led the engineering, procurement and construction services for the project alongside Aecon-Six Nations, and Aecon Concessions holds an ownership interest in the facility's operations.
- Aecon was named one of the *Corporate Knights 2025 Best 50 Corporate Citizens in Canada*, recognizing Aecon's continued efforts for sustainable investment, revenue, and construction practices relative to industry peers.
- Subsequent to quarter end, an Aecon-led consortium reached financial close on a contract to execute a civil project. Aecon's share of the contract is valued at \$477 million and will be added to its Construction segment backlog in the third quarter of 2025.

CONSOLIDATED FINANCIAL HIGHLIGHTS

\$ millions (except per share amounts)	Three months ended		Six months ended	
	June 30		June 30	
	2025	2024	2025	2024
Revenue	\$ 1,301.6	\$ 853.8	\$ 2,363.2	\$ 1,700.4
Gross profit (loss)	76.9	(137.9)	118.7	(75.1)
Marketing, general, and administrative expense	(59.5)	(48.2)	(116.4)	(100.3)
Income from projects accounted for using the equity method	4.0	11.6	3.7	13.8
Other income	6.6	28.0	7.3	29.7
Depreciation and amortization	(25.8)	(19.8)	(51.8)	(38.6)
Operating profit (loss)	2.3	(166.3)	(38.4)	(170.5)
Finance income	1.5	2.1	3.0	5.3
Finance cost	(14.7)	(6.6)	(24.7)	(12.2)
Loss before income taxes	(11.0)	(170.8)	(60.1)	(177.4)

Income tax recovery		3.1	46.9	14.2	47.4
Loss		(7.9)	(123.9)	(45.9)	(130.0)
Non-controlling interests		0.2	-	0.4	-
Loss attributable to shareholders	\$	(7.6)	\$ (123.9)	\$ (45.6)	\$ (130.0)
Gross profit margin⁽⁴⁾		5.9%	(16.2)%	5.0%	(4.4)%
MG&A as a percent of revenue⁽⁴⁾		4.6%	5.6%	4.9%	5.9%
Adjusted EBITDA⁽²⁾	\$	41.1	\$ (153.5)	\$ 44.6	\$ (120.7)
Adjusted EBITDA margin⁽³⁾		3.2%	(18.0)%	1.9%	(7.1)%
Operating margin⁽⁴⁾		0.2%	(19.5)%	(1.6)%	(10.0)%
Adjusted loss attributable to shareholders⁽²⁾	\$	(5.5)	\$ (126.4)	\$ (39.5)	\$ (135.4)
Loss per share – basic	\$	(0.12)	\$ (1.99)	\$ (0.72)	\$ (2.09)
Loss per share – diluted	\$	(0.12)	\$ (1.99)	\$ (0.72)	\$ (2.09)
Adjusted loss per share – basic⁽²⁾	\$	(0.09)	\$ (2.03)	\$ (0.63)	\$ (2.17)
Adjusted loss per share – diluted⁽²⁾	\$	(0.09)	\$ (2.03)	\$ (0.63)	\$ (2.17)
Backlog (at end of period)			\$	10,746	\$ 6,186

(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" and "Reconciliations and Calculations" sections of this press release.

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

(3) 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.

(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 June 30, 2025 of \$1,302 million was \$448 million, or 52%, higher compared to the second quarter of 2024. In the Construction segment, revenue was higher by \$447 million from increases in industrial (\$192 million), nuclear (\$147 million), civil (\$75 million), urban transportation solutions (\$27 million), and utilities operations (\$6 million). This higher revenue was driven primarily by a higher volume of field construction work at industrial facilities in western Canada and the impact on revenue of the Coastal Gaslink Pipeline Project settlement agreement in 2024, an increased volume of refurbishment and engineering services work at nuclear generating stations in Ontario and the U.S., and the revenue impact of the acquisitions of Xtreme Powerline Construction ("Xtreme"), Ainsworth Power Construction, and United Engineers & Constructors Inc. ("United") that occurred in the second half of 2024. In the Concessions segment, revenue of \$2 million for the three months ended June 30, 2025 remained unchanged compared to the same period last year.

Operating profit of \$2.3 million for the three months ended June 30, 2025 increased by \$168.6 million compared to an operating loss of \$166.3 million in the same period of 2024. Higher operating profit was largely driven by an increase in quarterly gross profit of \$214.8 million compared to the same period in 2024. In the Construction segment, gross profit increased by \$213.5 million primarily from a decrease in losses on the fixed price legacy projects of \$198.2 million (i.e. negative gross profit of \$38.8 million in the second quarter of 2025 compared to negative gross profit of \$237.0 million in the second quarter of 2024). The fixed price legacy projects are discussed in Section 5 "Recent Developments" and Section 10.2 "Contingencies" in the Company's June 30, 2025 MD&A, and Section 13 "Risk Factors" in the 2024 Annual MD&A. Other than the impact of the fixed price legacy projects, gross profit in the balance of the Construction segment in the second quarter of 2025 was higher by \$15.3 million primarily due to higher volume and gross profit margin in nuclear, higher gross profit margin in utilities operations, and higher volume in industrial operations. These gross profit increases were partially offset by lower gross profit in civil from weaker gross profit margin in western operations, and from lower gross profit margin in urban transportation solutions from light rail transit ("LRT") and rail electrification projects as these projects advance towards completion. In the Concessions segment, gross profit increased by \$0.2 million from higher management and development fees.

Marketing, general and administrative expense ("MG&A") increased in the second quarter of 2025 by \$11.3 million compared to the same period in 2024, primarily from MG&A related to the Xtreme, Ainsworth Power Construction, and United operations that were acquired in the second half of 2024, and from an increase in acquisition related transaction costs of \$2.3 million. MG&A as a percentage of revenue for the second quarter decreased to 4.6% in 2025 from 5.6% in 2024, and for the first six months decreased to 4.9% in 2025 from 5.9% in 2024.

Reported backlog at June 30, 2025 of \$10,746 million compares to backlog of \$6,186 million at June 30, 2024. The June 30, 2025 balance represents the highest reported backlog in the history of Aecon. New contract awards of \$2,351 million and \$6,447 million were booked in the second quarter and year-to-date, respectively, in 2025 compared to \$766 million and \$1,729 million in the same periods in 2024.

REPORTING SEGMENTS

Aecon reports its financial performance on the basis of two segments: Construction and Concessions, which are described in

CONSTRUCTION SEGMENT

Financial Highlights

\$ millions	Three months ended		Six months ended	
	June 30		June 30	
	2025	2024	2025	2024
Revenue	\$ 1,298.1	\$ 851.5	\$ 2,355.5	\$ 1,695.3
Gross profit (loss)	\$ 76.6	\$ (136.8)	\$ 119.6	\$ (73.3)
Adjusted EBITDA⁽¹⁾	\$ 39.7	\$ (172.6)	\$ 38.6	\$ (144.9)
Operating profit (loss)	\$ 14.9	\$ (185.0)	\$ (15.0)	\$ (177.5)
Gross profit margin⁽³⁾	5.9%	(16.1)%	5.1%	(4.3)%
Adjusted EBITDA margin⁽²⁾	3.1%	(20.3)%	1.6%	(8.5)%
Operating margin⁽³⁾	1.1%	(21.7)%	(0.6)%	(10.5)%
Backlog (at end of period)			\$ 10,726	\$ 6,167

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

(2) This is a non-GAAP ratio. Refer to the "Non-GAAP and Supplementary Financial Measures" and "Reconciliations and Calculations" sections 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 June 30, 2025 of \$1,298 million was \$447 million, or 52%, higher compared to the same period in 2024. Revenue was higher in industrial operations (\$192 million) driven primarily by an increased volume of field construction work at industrial facilities in western Canada and the impact on revenue of the Coastal Gaslink Pipeline Project settlement agreement in 2024; in nuclear operations (\$147 million) from an increased volume of refurbishment and engineering services work at nuclear generating stations located in Ontario and the U.S.; in civil operations (\$75 million) from a higher volume of major projects, roadbuilding construction, and foundations work; in urban transportation solutions (\$27 million) primarily from an increase in mass transit project work in Ontario; and in utilities operations (\$6 million) from a higher volume of gas distribution work in Canada and electrical transmission work in the U.S. following the acquisition of Xtreme in the second half of 2024, partially offset by a lower volume of telecommunications work.

Operating profit in the Construction segment of \$14.9 million in the three months ended June 30, 2025 compares to an operating loss of \$185.0 million in the same period in 2024, for an increase in operating profit of \$199.9 million. The largest driver of the improvement in operating profit was a net positive impact on operating profit of \$198.2 million from the fixed price legacy projects (i.e. negative gross profit from the fixed price legacy projects of \$38.8 million in the second quarter of 2025 compared to negative gross profit of \$237.0 million in the second quarter of 2024). The fixed price legacy projects are discussed in Section 5 "Recent Developments" and Section 10.2 "Contingencies" in the Company's June 30, 2025 MD&A, and Section 13 "Risk Factors" in the 2024 Annual MD&A. In the balance of the Construction segment, operating profit was higher by \$1.6 million, driven by higher volume and gross profit margin in nuclear, higher gross profit margin in utilities operations, and from the impact on gross profit of higher volume in industrial operations. These increases were largely offset by lower operating profit in civil from weaker gross profit in western operations, and in urban transportation solutions from lower gross profit on mass transit projects that are nearing completion. Other items contributing to a reduction in operating profit include an increase in acquisition-related transaction costs that were expensed in the quarter (\$2.3 million largely in utilities), an increase in amortization expense related to acquisition-related intangible assets of \$5.3 million from the Xtreme, Ainsworth Power Construction, and United transactions that occurred in 2024, and a decrease in other income of \$4.7 million, driven by lower gains on the sale of property, buildings, and equipment of \$5.3 million, primarily in industrial operations.

Construction segment backlog at June 30, 2025 was \$10,726 million, which was \$4,559 million higher than the same time last year. Backlog increased period-over-period in urban transportation solutions (\$2,997 million), nuclear (\$1,505 million), utilities (\$119 million), and civil operations (\$40 million), and decreased in industrial operations (\$102 million). New contract awards totaled \$2,347 million in the second quarter of 2025 and \$6,440 million year-to-date, compared to \$764 million and \$1,728 million, respectively, in the same periods last year. During the first six months of 2025, an Aecon-led consortium reached commercial close on a progressive design-build project for the Scarborough Subway Extension, a joint operation in which Aecon is a participant was awarded a contract for the definition phase of refurbishment work on four units at the Pickering Nuclear Generating Station in Ontario, and an Aecon-led partnership was awarded an alliance construction contract for the execution phase of the Darlington New Nuclear Project in Clarington, Ontario.

CONCESSIONS SEGMENT

Financial Highlights

\$ millions	Three months ended		Six months ended	
	June 30		June 30	
	2025	2024	2025	2024
Revenue	\$ 1.8	\$ 2.3	\$ 3.4	\$ 5.2
Gross loss	\$ (0.9)	\$ (1.1)	\$ (2.0)	\$ (1.7)
Income from projects accounted for using the equity method	\$ 4.3	\$ 11.9	\$ 4.5	\$ 14.1
Adjusted EBITDA ⁽¹⁾	\$ 16.4	\$ 29.5	\$ 29.2	\$ 47.1
Operating profit	\$ 2.9	\$ 16.8	\$ 1.2	\$ 17.9
Backlog (at end of period)			\$ 20	\$ 19

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

Aecon currently holds a 50.1% interest in 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. Aecon's participation in Skyport is accounted for using the equity method. Aecon's concession participation in the Eglinton Crosstown LRT, Finch West LRT, Gordie Howe International Bridge, Waterloo LRT, and the GO Expansion On-Corridor Works projects are joint ventures that are also accounted for using the equity method.

For the three months ended June 30, 2025, revenue in the Concessions segment of \$2 million was unchanged compared to the same period last year.

Operating profit in the Concessions segment of \$2.9 million for the three months ended June 30, 2025 was lower by \$13.9 million compared to the same period in 2024. The lower operating profit was driven by a gain on sale of \$5.9 million related to incremental proceeds from the partial sale of Skyport received in the second quarter of 2024, and from one-time recoveries in Skyport of \$5.9 million reported in the second quarter of 2024. Operating profit in the balance of the segment was also impacted by lower management and development fees.

DIVIDEND

Aecon's Board of Directors approved its next quarterly dividend of 19 cents per common share. The dividend will be paid on October 2, 2025 to shareholders of record as of September 22, 2025. Unless indicated otherwise, all common share dividends paid by Aecon to shareholders are designated as "eligible" dividends for the purpose of the Income Tax Act (Canada) and any similar provincial legislation.

OUTLOOK

Revenue in 2025 is expected to be stronger than 2024, driven by record reported backlog of \$10.7 billion at the end of the second quarter of 2025, recurring revenue programs continuing to see solid demand, a strong bid pipeline, and the impact of strategic acquisitions completed in the second half of 2024. Revenue growth is expected in most of the Construction sectors.

In the Construction segment, demand for Aecon's services across Canada and in select U.S. and international markets continues to be strong. Development phase work is ongoing in consortiums in which Aecon is a participant to deliver several significant long-term progressive design-build projects of various sizes. In the first quarter of 2025, an Aecon-led consortium completed the collaborative development phase and reached commercial close on the Scarborough Subway Extension progressive design-build transit project. The implementation phase of the project has commenced under a target price contract. In addition, an Aecon joint operation was awarded a collaborative contract by Ontario Power Generation which includes the definition phase work for the retube, feeder and boiler replacement of Units 5, 6, 7 and 8 at the Pickering Nuclear Generating Station in Ontario. In the second quarter of 2025, an Aecon-led partnership was awarded an alliance construction contract by Ontario Power Generation for the execution phase of the Darlington New Nuclear Project in Ontario. Other projects currently being delivered using progressive design-build or alliance models are also expected to move into construction in 2025 and 2026.

In the Concessions segment, there are several opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months to support trends in aging infrastructure, mobility, connectivity, and population growth. An Aecon-led consortium was selected by the U.S. Virgin Islands Port Authority to redevelop the Cyril E. King Airport in St. Thomas and the Henry E. Rohlsen Airport in St. Croix under a collaborative Design, Build, Finance, Operate, and Maintain Public-Private Partnership model, pending financial close.

Operating profitability in recent years was negatively impacted by the four fixed price legacy projects. The three remaining legacy projects are expected to reach substantial completion by the end of 2025 and this is anticipated to lead to improved profitability and margin predictability. Until the three remaining projects are complete and the related claims have been

resolved, there is a risk that profitability could also be negatively impacted by these projects in future periods – see Section 5 “Recent Developments” and Section 10.2 “Contingencies” in the June 30, 2025 MD&A and Section 13 “Risk Factors” in the 2024 Annual MD&A regarding the risk on certain large fixed price legacy projects entered into in 2018 or earlier by joint operations in which Aecon is a participant. As such, the completion and satisfactory resolution of claims on the three remaining legacy projects with the respective clients remains a critical focus for the Company and its partners.

Management will also be monitoring the impact of announced or threatened tariffs or non-tariff measures on the Company’s operations. The introduction of these measures could cause increased purchased material costs and/or reduced availability, as well as delays by some private clients in moving forward with projects.

Aecon plans to maintain a disciplined capital allocation approach focused on long-term shareholder value through acquisitions and divestitures, organic growth, dividends, capital investments, and common share buybacks on an opportunistic basis. Aecon is also focused on making strategic investments in its operations to support access and entry into new markets and increase operational effectiveness. Capital expenditures in 2025 are expected to be moderately higher than in 2024.

CONSOLIDATED RESULTS

The consolidated results for the three and six months ended June 30, 2025 and 2024 are available at the end of this news release.

CONSOLIDATED BALANCE SHEET

\$ thousands	June 30 2025	December 31 2024
Cash and cash equivalents	\$ 462,326	\$ 438,025
Other current assets	1,979,373	1,790,589
Property, plant and equipment	369,531	360,022
Other long-term assets	635,553	637,588
Total Assets	\$ 3,446,783	\$ 3,226,224
Current portion of long-term debt	\$ 43,377	\$ 40,765
Preferred Shares of Aecon Utilities	161,930	160,300
Other current liabilities	1,808,506	1,742,363
Long-term debt	107,486	110,804
Other long-term liabilities	431,406	209,556
Total Equity	894,078	962,436
Total Liabilities and Equity	\$ 3,446,783	\$ 3,226,224

CONFERENCE CALL

A conference call and live webcast has been scheduled for 9 a.m. (Eastern Time) on Friday, August 1, 2025. A live webcast of the conference call can be accessed using this [link](#) and will be available at www.aecon.com/InvestorCalendar. Participants can also dial-in to the conference call and pre-register using this [link](#). After registering, an email will be sent, including dial-in details and a unique access code required to join the live call. Please ensure you have registered at least 15 minutes prior to the conference call time.

An accompanying presentation of the second quarter 2025 financial results will also be available after market close on July 31, 2025 at www.aecon.com/investing. For those unable to attend, a replay will be available within one hour following the live webcast and conference call at the same webcast link above.

ABOUT AECON

Aecon Group Inc. (TSX: ARE) is a North American construction and infrastructure development company with global experience. Aecon 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, management, and operations and maintenance services through its Concessions segment. Join our online community on X, LinkedIn, Facebook, and Instagram @AeconGroupInc.

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NON-GAAP AND SUPPLEMENTARY FINANCIAL MEASURES

The 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 IFRS Accounting Standards). 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.

Throughout this press release, the following terms are used, which 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 financial statements of the Company; and (d) is not a ratio.

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

- **"Adjusted EBITDA"** represents operating profit (loss) adjusted to exclude depreciation and amortization, the gain (loss) on sale of assets and investments, costs related to business acquisitions including: costs related to advisory, legal and other transaction fees; changes in the fair value of contingent consideration; and contingent consideration classified as compensation per IFRS; costs associated with the remediation of properties sold; 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 the "Reconciliations and Calculations" section of this press release for a quantitative reconciliation to the most comparable financial measure). The most directly comparable measure calculated in accordance with IFRS is operating profit.
- **"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 the "Reconciliations and Calculations" section of this press release for a quantitative reconciliation to the most comparable financial measure).
- **"Adjusted Profit (Loss) Attributable To Shareholders"** represents profit (loss) attributable to shareholders adjusted where applicable to exclude unrealized gains or losses on derivative financial instruments, costs related to business acquisitions including: amortization of acquisition-related intangible assets; costs related to advisory, legal and other transaction fees; changes in the fair value of contingent consideration; and contingent consideration classified as compensation per IFRS; costs associated with the remediation of properties sold; and where applicable the income tax effect of these adjustments (refer to the "Reconciliations and Calculations" section of this press release for a quantitative reconciliation to the most comparable financial measure). The most comparable IFRS measures for Adjusted Profit (Loss) Attributable To Shareholders is Profit (Loss) Attributable To Shareholders.
- **"Adjusted Earnings Per Share – Basic" and "Adjusted Earnings Per Share – Diluted"** are calculated by dividing Adjusted Profit (Loss) Attributable To Shareholders (defined above) by the basic and diluted weighted average number of shares outstanding, respectively. The most comparable IFRS measure for Adjusted Earnings Per Share is earnings per share (refer to the "Reconciliations and Calculations" section of this press release for a quantitative reconciliation to the most comparable financial measure).

Management uses the above non-GAAP financial measures to analyze and evaluate operating performance. Aecon also believes the above financial measures 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. These non-GAAP financial measures exclude items which management believes will allow investors a consistent way to analyze Aecon's financial performance, allow for better analysis of core operating income and business trends, and improve comparability of companies within the industry.

Primary Financial Statements

Primary financial statement means 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

(loss) per share - basic⁽¹⁾	\$ (0.09)	\$ (0.54)	\$ 0.26	\$ 0.92	\$ (2.03)	\$ (0.14)	\$ 0.13	\$ 2.17
Adjusted earnings (loss) per share - diluted⁽¹⁾	(0.09)	(0.54)	0.25	0.86	(2.03)	(0.14)	0.12	1.63

(1) This is a non-GAAP financial measure. Refer to Section 4 "Non-GAAP and Supplementary Financial Measures" in this press release for more information on each non-GAAP financial measure.

(2) Costs related to business acquisitions includes costs related to advisory, legal and other transaction fees; changes in the fair value of contingent consideration; and contingent consideration classified as compensation per IFRS.

STATEMENT ON FORWARD-LOOKING INFORMATION

The information in this press release includes certain forward-looking statements which may constitute forward-looking information under applicable securities laws. These forward-looking statements are based on currently available competitive, financial, and economic data and operating plans but are subject to known and unknown risks, assumptions and uncertainties. Forward-looking statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, the payment of dividends, performance, prospects, ongoing objectives, strategies and outlook for Aecon, including statements regarding: expectations regarding the financial risks and impact of the fixed price legacy projects, the expected timelines of such projects and the expected impact the completion of these projects will have on profitability and margin predictability of the Company; backlog and estimated duration; the impact of certain contingencies on Aecon (see: Section 10.2 "Contingencies" in the Company's 2024 Management's Discussion and Analysis for the fiscal year ended December 31, 2024 (the "2024 MD&A"), and in the Company's Management's Discussion and Analysis for the fiscal quarter ended June 30, 2025); the uncertainties related to the unpredictability of global economic conditions; the sufficiency of its current liquidity position its strategy of seeking to differentiate its service offering and execution capability and the expected results therefrom; expectations regarding revenue and future revenue growth and the impact therefrom; expectations regarding profitability and margin predictability; expectations regarding capital expenditures; expectations regarding the pipeline of opportunities available to Aecon; infrastructure commitments; statements regarding the various phases of projects and expectations regarding project timelines; communities sharing in the benefits and opportunities associated with Aecon's work, including commitments to publish information with respect to reconciliation and targets including Indigenous suppliers; expectations regarding access to new markets through strategic investments; expectations regarding opportunities to add to the existing portfolio of Canadian and international concessions in the next 12 to 24 months; and expectations regarding growth, and the acceleration thereof, of Aecon in Canada and the U.S.. Forward-looking statements may in some cases be identified by words such as "will," "plans," "schedule," "forecast," "outlook," "completing," "mitigating," "potential," "possible," "maintain," "seek," "cost savings," "synergies," "strategy," "goal," "indicative," "may," "could," "might," "can," "believes," "expects," "anticipates," "aims," "assumes," "upon," "commences," "estimates," "projects," "intends," "prospects," "targets," "occur," "continue," "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 risk of not being able to drive a higher margin mix of business by participating in more complex projects, achieving operational efficiencies and synergies, and improving margins; the risk of not being able to meet contractual schedules and other performance requirements on large, fixed priced contracts; the risks associated with a third party's failure to perform; the risk of not being able to meet its labour needs at reasonable costs; possibility of gaps in insurance coverage; the risk of not being able to address any supply chain issues which may arise and pass on costs of supply increases to customers; the risks associated with international operations and foreign jurisdiction factors; the risks associated with announced or threatened tariffs on operations; the risk of not being able, through its joint ventures or joint operations, to enter into implementation phases of certain projects following the successful completion of the relevant development phase; the risk of not being able to execute its strategy of building strong partnerships and alliances; the risk of not being able to execute its risk management strategy; the risk of not being able to grow backlog across the organization by winning major projects; the risk of not being able to maintain a number of open, recurring, and repeat contracts; the risk of not being able to identify and capitalize on strategic operational investments; the risk of not being able to oversee, and where appropriate, respond to known and unknown environmental and climate change-related risks, including the ability to recognize and adequately respond to climate change concerns or public, governmental, and other stakeholders' expectations on climate matters; the risk of not being able to meet its commitment to meeting its greenhouse gas emissions reduction targets; the risks of nuclear liability; the risks of cyber interruption or failure of information systems; the risks associated with the strategy of differentiating its service offerings in key end markets; the risks associated with undertaking initiatives to train employees; the risks associated with the seasonal nature of its business; the risks associated with being able to participate in large projects; the risks associated with legal proceedings to which it is a party; the ability to successfully respond to shareholder activism; the risk the increase in energy demand does not continue; risks associated with future pandemics, epidemics and other health crises and Aecon's ability to respond to and implement measures to mitigate the impact of such pandemics or epidemics; the risk that the strategic partnership with Oaktree Capital Management, L.P.'s ("Oaktree") will not realize the expected results and may negatively impact the existing business of Aecon Utilities Group Inc. ("Aecon Utilities"); the risk that Aecon Utilities will not realize the anticipated balance sheet flexibility with the completion of the Oaktree investment; the risk that Aecon Utilities will not realize opportunities to expand its geographic reach and range of services in the U.S.; the risk of the anticipated benefits and synergies from strategic acquisition transactions not being fully realized or taking longer than expected to realize; the risk of being unable to retain key personnel; the risk of being unable to maintain relationships with customers, suppliers or other business partners; and various other risk factors described in Aecon's filings with the securities regulatory authorities, which are available under Aecon's profile on SEDAR+ (www.sedarplus.ca), including the risk factors described in Section 13 - "Risk Factors" in the 2024 MD&A and in Aecon's Management's Discussion and Analysis for the fiscal quarter ended June 30, 2025, and in other filings made by

Aecon with the securities regulatory authorities in Canada.

Forward-looking statements are presented for the purpose of helping investors and others in understanding certain key elements of Aecon's current objectives, strategic priorities, expectations and plans, and to gather a better understanding of Aecon's business and operating environment. These forward-looking statements are based on a variety of factors and assumptions including, but not limited to that: none of the risks identified above materialize, there are no unforeseen changes to economic and market conditions and no significant events occur outside the ordinary course of business and assumptions regarding the outcome of the outstanding claims in respect of the fixed price legacy projects being performed by joint ventures in which Aecon is a participant. These assumptions are based on information currently available to Aecon, including information obtained from third-party sources. While the Company believes that such third-party sources are reliable sources of information, the Company has not independently verified the information. The Company has not ascertained the validity or accuracy of the underlying economic assumptions contained in such information from third-party sources and hereby disclaims any responsibility or liability whatsoever in respect of any information obtained from third-party sources.

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 STATEMENTS OF INCOME

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(in thousands of Canadian dollars, except per share amounts)

	For the three months ended		For the six months ended	
	June 30 2025	June 30 2024	June 30 2025	June 30 2024
Revenue	\$ 1,301,579	\$ 853,779	\$ 2,363,229	\$ 1,700,371
Direct costs and expenses	(1,224,665)	(991,686)	(2,244,525)	(1,775,492)
Gross profit (loss)	76,914	(137,907)	118,704	(75,121)
Marketing, general and administrative expense	(59,462)	(48,227)	(116,379)	(100,302)
Depreciation and amortization	(25,795)	(19,784)	(51,751)	(38,627)
Income from projects accounted for using the equity method	4,007	11,555	3,653	13,848
Other income	6,593	28,046	7,344	29,704
Operating profit (loss)	2,257	(166,317)	(38,429)	(170,498)
Finance income	1,456	2,138	3,032	5,297
Finance cost	(14,684)	(6,572)	(24,732)	(12,244)
Loss before income taxes	(10,971)	(170,751)	(60,129)	(177,445)
Income tax recovery	3,102	46,857	14,182	47,434
Loss for the period	\$ (7,869)	\$ (123,894)	\$ (45,947)	\$ (130,011)
Loss attributable to:				
Aecon shareholders	\$ (7,625)	\$ (123,894)	\$ (45,556)	\$ (130,011)
Non-controlling interests	(244)	-	(391)	-
	\$ (7,869)	\$ (123,894)	\$ (45,947)	\$ (130,011)
Basic loss per share	\$ (0.12)	\$ (1.99)	\$ (0.72)	\$ (2.09)
Diluted loss per share	\$ (0.12)	\$ (1.99)	\$ (0.72)	\$ (2.09)