Mattr Corp.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

June 30, 2026

Mattr Corp.

Condensed Interim Consolidated Statements of Income (Loss) (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
(in thousands of Canadian dollars, except per share amounts)	**2026**	2025	**2026**	2025
Revenue				
Sale of products	**$ 389,832**	$ 316,073	**$ 708,128**	$ 632,679
Rendering of services	**6,362**	4,884	**9,881**	8,398
	396,194	320,957	**718,009**	641,077
Cost of Goods Sold and Services Rendered	**278,842**	238,400	**514,104**	474,902
Gross Profit	**117,352**	82,557	**203,905**	166,175
Selling, general and administrative expenses	**59,513**	43,903	**105,197**	85,413
Research and development expenses	**2,644**	2,825	**5,344**	5,702
Foreign exchange (gains) losses	**(2,353)**	8,219	**(4,760)**	12,126
Depreciation and amortization	**17,989**	16,478	**36,012**	33,361
Loss on sale of land and other	**—**	697	**—**	697
Operating Income from Continuing Operations	**39,559**	10,435	**62,112**	28,876
Finance costs, net (note 4)	**(11,241)**	(11,485)	**(21,409)**	(20,715)
Income (Loss) from Continuing Operations before Income Taxes	**28,318**	(1,050)	**40,703**	8,161
Income tax expense (recovery) (note 5)	**8,499**	2,666	**13,488**	(36,192)
Net Income (Loss) from Continuing Operations	**19,819**	(3,716)	**27,215**	44,353
Net (Loss) Income from Discontinued Operations, net of income tax expense	**—**	(3,269)	**—**	1,388
Net Income (Loss)	**$ 19,819**	$ (6,985)	**$ 27,215**	$ 45,741
Net Income (Loss) from Continuing Operations Attributable to:				
Shareholders of the Company	**$ 19,819**	$ (3,716)	**$ 27,215**	$ 44,353
Net Income (Loss) from Continuing Operations	**$ 19,819**	$ (3,716)	**$ 27,215**	$ 44,353
Net (Loss) Income from Discontinued Operations Attributable to:				
Shareholders of the Company	**$ —**	$ (3,269)	**$ —**	$ 1,388
Net (Loss) Income from Discontinued Operations	**$ —**	$ (3,269)	**$ —**	$ 1,388
Earnings per Share ("EPS") (note 6)				
Basic	**$ 0.32**	$ (0.11)	**$ 0.44**	$ 0.73
Diluted	**$ 0.32**	$ (0.11)	**$ 0.44**	$ 0.73
Earnings per Share (“EPS”) – Continuing Operations (note 6)				
Basic	**$ 0.32**	$ (0.06)	**$ 0.44**	$ 0.71
Diluted	**$ 0.32**	$ (0.06)	**$ 0.44**	$ 0.71
Weighted Average Number of Shares Outstanding (000s) (note 6)				
Basic	**61,379**	61,878	**61,364**	62,317
Diluted	**61,672**	61,878	**61,591**	62,495

Mattr Corp.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(in thousands of Canadian dollars)	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 (Loss)	**$ 19,819**	$ (6,985)	**$27,215**	$ 45,741
Other Comprehensive Income (Loss) to be Reclassified to Net Income (Loss) in Subsequent Periods				
Exchange differences on translation of foreign operations	**13,370**	(25,212)	**22,144**	(16,190)
Reclassification of exchange difference on disposal of foreign operation	**—**	10,952	**—**	10,952
Other Comprehensive Income (Loss) not to be Reclassified to Net Income (Loss) in Subsequent Periods				
Actuarial gain on defined benefit plans	**(958)**	4	**(958)**	25
Income tax expense	**—**	(1)	**—**	(5)
Total Other Comprehensive Income (Loss), Net of Income Tax	**12,412**	(14,257)	**21,186**	(5,218)
Total Comprehensive Income (Loss)	**$ 32,231**	$ (21,242)	**$48,401**	$ 40,523
Comprehensive Income (Loss) Attributable to:				
Shareholders of the Company	**$ 32,231**	$ (21,254)	**$48,401**	$ 40,511
Non-controlling interests	**—**	12	**—**	12
Total Comprehensive Income (Loss)	**$ 32,231**	$ (21,242)	**$48,401**	$ 40,523
Comprehensive Income (Loss) Attributable to Shareholders of the Company:				
Continuing Operations	**$ 32,231**	$ (11,022)	**$48,401**	$ 43,280
Discontinued Operations	**—**	(10,220)	**—**	(2,757)
Total Comprehensive Income (Loss)	**$ 32,231**	$ (21,242)	**$48,401**	$ 40,523

Mattr Corp.

Condensed Interim Consolidated Balance Sheet (Unaudited)

(in thousands of Canadian dollars)		**June 30, 2026**		December 31, 2025
ASSETS				
Current Assets				
Cash and cash equivalents	**$**	**39,105**	$	65,526
Accounts receivable		**259,626**		159,931
Income taxes receivable		**7,902**		12,884
Inventory		**250,905**		200,641
Prepaid expenses		**9,484**		8,830
Total current assets		**567,022**		447,812
Non-current Assets				
Property, plant and equipment		**369,575**		368,785
Right-of-use assets		**133,799**		133,275
Goodwill		**283,314**		278,246
Intangible assets		**354,671**		357,213
Deferred income tax assets		**7,405**		12,796
Other assets		**4,938**		5,163
Total non-current assets		**1,153,702**		1,155,478
TOTAL ASSETS	**$**	**1,720,724**	$	1,603,290
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	**$**	**232,599**	$	204,434
Lease liabilities		**16,555**		15,961
Provisions		**22,562**		19,786
Income taxes payable		**7,070**		7,811
Contract liabilities		**20,132**		12,552
Other liabilities		**11,226**		6,917
Total current liabilities		**310,144**		267,461
Non-current Liabilities				
Long-term debt (note 9)		**433,545**		408,663
Lease liabilities		**139,081**		136,210
Provisions		**10,386**		10,463
Employee future benefits		**5,175**		5,310
Deferred income tax liabilities		**9,938**		13,180
Other liabilities		**9,959**		8,193
Total non-current liabilities		**608,084**		582,019
Total liabilities		**918,228**		849,480
Equity				
Share capital (note 10)		**629,643**		628,346
Contributed surplus		**22,847**		23,513
Retained deficit		**(38,010)**		(64,879)
Accumulated other comprehensive income		**188,016**		166,830
Total equity		**802,496**		753,810
TOTAL LIABILITIES AND EQUITY	**$**	**1,720,724**	$	1,603,290

Mattr Corp.

Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)

(in thousands of Canadian dollars)	Share Capital	Contributed Surplus	Retained Deficit	Accumulated Other Comprehensive Income	Total Equity
Balance – December 31, 2025	**$ 628,346**	**$ 23,513**	**$ (64,879)**	**$ 166,830**	**$ 753,810**
Net Income	**—**	**—**	**27,215**	**—**	**27,215**
Other Comprehensive Income	**—**	**—**	**—**	**21,186**	**21,186**
Total Comprehensive Income	**—**	**—**	**27,215**	**21,186**	**48,401**
Issued on exercise of stock options	**330**	**—**	**—**	**—**	**330**
Compensation cost on exercised options	**130**	**(130)**	**—**	**—**	**—**
Compensation cost on exercised Restricted Share Units	**2,280**	**(2,280)**	**—**	**—**	**—**
Share-based compensation expense	**—**	**1,744**	**—**	**—**	**1,744**
Share repurchase – NCIB (note 10)	**(1,443)**	**—**	**—**	**—**	**(1,443)**
Excess of purchase price over stated value of shares	**—**	**—**	**(346)**	**—**	**(346)**
Balance – June 30, 2026	**$ 629,643**	**$ 22,847**	**$ (38,010)**	**$ 188,016**	**$ 802,496**
Balance – December 31, 2024	$ 639,408	$ 22,917	$ (109,970)	$ 168,426	$ 720,781
Net Income	—	—	45,741	—	45,741
Other comprehensive Income	—	—	12	(5,230)	(5,218)
Total Comprehensive Income	—	—	45,753	(5,230)	40,523
Issued on exercise of stock options	124	—	—	—	124
Compensation cost on exercised Restricted Share Units	1,316	(1,316)	—	—	—
Share-based compensation expense	—	1,063	—	—	1,063
Share repurchase – NCIB	(17,797)	—	—	—	(17,797)
Change in ASPP accrual	5,065	—	—	—	5,065
Excess of purchase price over stated value of shares	—	—	(891)	—	(891)
Balance – June 30, 2025	$ 628,116	$ 22,664	$ (65,108)	$ 163,196	$ 748,868

Mattr Corp.

Consolidated Statements of Cash Flows (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
(in thousands of Canadian dollars)	**2026**	2025	**2026**	2025
Operating Activities				
Net Income (Loss) from Continuing Operations	**$ 19,819**	$ (3,716)	**$ 27,215**	$ 44,353
Add (deduct) items not affecting cash				
Depreciation and amortization	**17,989**	16,478	**36,012**	33,361
Interest expense on lease liabilities (note 4)	**2,386**	2,598	**4,741**	5,250
Share-based compensation and incentive-based compensation (note 7)	**7,594**	3,240	**9,057**	1,048
Deferred income taxes	**3,121**	(2,470)	**2,375**	(45,412)
Loss on sale of land and other	**—**	697	**—**	697
(Gain) Loss on disposal of property, plant and equipment	**(113)**	4	**44**	(359)
Other	**841**	(466)	**2,803**	376
Change in non-cash working capital and foreign exchange (note 8)	**(54,714)**	(5,725)	**(110,269)**	(34,587)
Cash (Used in) Provided by Operating Activities from Continuing Operations	**(3,077)**	10,640	**(28,022)**	4,727
Cash Provided by Operating Activities from Discontinued Operations	**—**	13,417	**—**	13,436
Cash (Used in) Provided by Operating Activities	**$ (3,077)**	$ 24,057	**$ (28,022)**	$ 18,163
Investing Activities				
Purchase of property, plant and equipment	**$ (6,233)**	$ (11,305)	**$ (15,204)**	$ (35,411)
Proceeds on disposal of property, plant and equipment	**2,162**	85	**2,170**	518
Acquisitions, net of cash acquired	**—**	—	**—**	(383,264)
Cash Used in Investing Activities from Continuing Operations	**(4,071)**	(11,220)	**(13,034)**	(418,157)
Cash Provided by Investing Activities from Discontinued Operations	**—**	19,528	**—**	19,509
Cash (Used in) Provided by Investing Activities	**$ (4,071)**	$ 8,308	**$ (13,034)**	$ (398,648)
Financing Activities				
Repayment of credit facilities	**$ (11,022)**	$ (67,486)	**$ (19,384)**	$ (104,223)
Long-term debt issuance cost (note 9)	**(925)**	(32)	**(1,003)**	(569)
Proceeds from drawdown of credit facilities	**22,542**	52,981	**40,866**	68,141
Repayment of lease liabilities	**(4,541)**	(5,559)	**(8,960)**	(12,516)
Repurchase of shares – Normal Course Issuer Bids (note 10)	**(1,751)**	(6,708)	**(1,751)**	(17,517)
Proceeds from stock options exercised (note 10)	**230**	41	**330**	124
Cash Provided by (Used in) Financing Activities from Continuing Operations	**4,533**	(26,763)	**10,098**	(66,560)
Cash Provided by (Used in) Financing Activities	**$ 4,533**	$ (26,763)	**$ 10,098**	$ (66,560)
Effect of Foreign Exchange on Cash and Cash Equivalents	**2,541**	(5,447)	**4,537**	(2,574)
Net (Decrease) Increase in Cash, Cash Equivalents, and Restricted Cash	**(74)**	155	**(26,421)**	(449,619)
Cash, Cash Equivalents, and Restricted Cash – Beginning of Period	**39,179**	52,716	**65,526**	502,490
Cash and Cash Equivalents – End of Period	**$ 39,105**	$ 52,871	**$ 39,105**	$ 52,871
Cash	**$ 36,832**	$ 51,508	**$ 36,832**	$ 51,508
Cash Equivalents	**2,273**	1,363	**2,273**	1,363
Total Cash and Cash Equivalents	**$ 39,105**	$ 52,871	**$ 39,105**	$ 52,871
Supplemental Cash Flow Information				
Interest paid	**$ 2,386**	$ 14,342	**$ 4,395**	$ 16,733
Interest received	**$ 147**	$ 609	**$ 430**	$ 1,226
Income taxes paid	**$ 3,525**	$ 3,415	**$ 6,448**	$ 10,994

Mattr Corp. is a publicly listed company incorporated in Canada with its common shares publicly traded on the Toronto Stock Exchange under the symbol "MATR". Mattr Corp., together with its wholly owned subsidiaries (collectively referred to as the "Company" or "Mattr"), is a growth oriented, global materials technology company serving critical infrastructure markets including electrification, transportation, mining, energy, communication, and water management. The Company operates through a network of manufacturing facilities within two operating units. These operating units are reported as two business segments, Connection Technologies and Composite Technologies which enable responsible renewal and enhancement of critical infrastructure. Further information as it pertains to the nature of operations is set out in note 3.

The results of the Company's previously owned pipe coating subsidiary, Thermotite do Brasil ("Thermotite"), are being presented within Discontinued Operations for the period during which the subsidiary remained under its ownership, up to and including the date of sale, June 4, 2025.

The head office, principal address and registered office of the Company is 336 Courtland Avenue, Vaughan, Ontario, L4K 4Y1, Canada.

1 Basis of Financial Statement Preparation

Basis of Presentation

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34*, Interim Financial Reporting*. The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and thus should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2025 ("Annual Consolidated Financial Statements").

The condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain current assets and financial instruments, which are measured at fair value, as explained in note 2 of the accounting policies in the Company's Annual Consolidated Financial Statements.

The condensed interim consolidated financial statements comprise the financial statements of the Company and the entities under its control. Adjustments are made, where necessary, to the financial statements of the subsidiaries to ensure consistency with those policies adopted by the Company. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The condensed interim consolidated financial statements and accompanying notes as at and for the three and six months ended June 30, 2026 were authorized for issue by the Company's Board of Directors on August 12, 2026.

b) Use of Estimates and Judgments

The preparation of condensed interim consolidated financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 2 of the Company's Annual Consolidated Financial Statements.

c) Accounting policies

The condensed interim consolidated financial statements are based on accounting policies consistent with those described in note 2 of the accounting policies in the Company's Annual Consolidated Financial Statements.

New accounting standards issued and adopted

On May 2024, the International Accounting Standards Board has issued amendments to IFRS 9 - Classification and measurement of financial instruments and became effective January 1, 2026. The amendments clarify the timing of derecognition of financial assets and liabilities and in certain circumstances, allow for an exception that would enable a company to derecognize a financial liability before the settlement date. The Company adopted these amendments and determined there to be no material impact on the condensed interim consolidated financial statements.

2 Financial Instruments

The Company has classified its financial instruments as follows:

(in thousands of Canadian dollars)		**June 30, 2026**		December 31, 2025
Financial Assets, Measured at Amortized Cost				
Cash and cash equivalents	**$**	**39,105**	$	65,526
Accounts receivable		**259,626**		159,931
Deposit guarantee		**130**		127
Income taxes receivable		**7,902**		12,884
Fair Value Through Profit or Loss				
Embedded derivative (note 9)	**$**	**6,715**	$	6,715
Financial Liabilities, Measured at Amortized Cost				
Accounts payable	**$**	**126,481**	$	101,746
Contract liabilities		**20,132**		12,552
Lease liabilities		**155,636**		152,171
Income taxes payable		**7,070**		7,811
Long-term debt (note 9)		**442,194**		417,395

Fair Value

IFRS 13, *Fair Value Measurement,* provides a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs are those that reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions with respect to how market participants would price an asset or liability. These two inputs, which are used to measure fair value, fall into the following three different levels of the fair value hierarchy:

- Level 1 – Quoted prices in active markets for identical instruments that are observable.
- Level 2 – Quoted prices in active markets for similar instruments; inputs other than quoted prices that are observable and derived from or corroborated by observable market data.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs are unobservable.

The hierarchy requires the use of observable market data when available.

The following table presents the fair value of financial assets and liabilities in the fair value hierarchy as at June 30, 2026, where the carrying value does not approximate the fair value.

(in thousands of Canadian dollars)	Fair Value	Level 1	Level 2	Level 3
Liabilities				
Long-term debt	$ 461,171	$ —	$ 461,171	$ —

The redemption option derivative asset (note 9) associated with the senior secured notes is an embedded derivative separately recognized to reflect the redemption features of the senior secured notes and is classified as fair value through profit and loss with fair value based on models using observable interest rate inputs. Changes in the fair value are recorded in finance costs.

Total long-term debt is comprised of Senior Notes, unsecured of $300 million and amounts drawn on Credit Facility of $141.1 million. The Senior Notes, unsecured have a fair market value of $320.0 million ($317.2 million as at December 31, 2025) which is higher than the carrying amount as the fixed interest rate is higher than the market rate of interest for this grade of Senior Note as at June 30, 2026. The Credit Facility is subject to a variable interest rate and therefore the carrying amount is approximately equal to the fair market value as at June 30, 2026.

Financial Risk Management

The Company's operations expose it to a variety of financial risks including market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance. Risk management is the responsibility of the Company's management. Material risks are monitored by and are regularly reported to the Board of Directors.

Market Risk

Foreign Exchange Risk

The majority of the Company's business is transacted outside of Canada through subsidiaries operating in several countries. The net investments in these subsidiaries as well as their revenue, operating expenses and non-operating expenses are denominated in foreign currencies. As a result, the Company's consolidated revenue, expenses and financial position may be impacted by fluctuations in foreign exchange rates as these foreign currency items are translated into Canadian dollars. As at June 30, 2026, fluctuations of +/- 5% in the Canadian dollar, relative to those foreign currencies, would impact the Company's consolidated revenue, income from operations, and net income (attributable to shareholders of the Company) for continuing operations, as well as its impacts on Company's consolidated total assets, consolidated total liabilities and consolidated total equity, are summarized as follows for the six month period and as at June 30, 2026:

						2026
(in thousands of Canadian dollars)	Revenue	Income from operations	Net Income	Total assets	Total liabilities	Total equity
Denominated in						
U.S. dollar	$ 25,140	$ 1,697	$ 1,181	$ 60,502	$ 11,425	$ 49,077
Euro	2,746	483	368	5,345	1,112	4,233
Other currencies	420	51	35	1,016	454	562
Total impacts	$ 28,306	$ 2,231	$ 1,584	$ 66,863	$ 12,991	$ 53,872

The objective of the Company's foreign exchange risk management activities is to minimize transaction exposures associated with the Company's foreign currency denominated cash streams and the resulting variability of the Company's earnings. The Company utilizes foreign exchange forward contracts to manage this foreign exchange risk. The Company does not enter into foreign exchange forward contracts for speculative purposes.

3 Segment Information

Mattr's operating segments are being reported based on the financial information provided to the Chief Executive Officer, who has been identified as the Chief Operating Decision Maker ("CODM") in monitoring segment performance and allocating resources between segments. The CODM assesses segment performance based on segment operating income or loss, which is measured differently than income from operations in the consolidated financial statements. Income taxes are managed at a consolidated level and are not allocated to the reportable operating segments.

Inter-segment transactions, if any, among Connection Technologies and Composite Technologies are accounted for at negotiated transfer prices which approximate third-party rates and are eliminated in consolidation. Financial and Corporate represents operating income, property, plant and equipment, and Corporate office costs that are not allocated to the Connection Technologies or Composite Technologies Segments.

Connection Technologies

The Connection Technologies segment includes the (i) DSG-Canusa brand, a global manufacturer of heat-shrinkable products including thin, medium and heavy-walled tubing, sleeves and molded products as well as heat-shrink accessories and equipment, the (ii) Shawflex brand and the (iii) AmerCable® brand, both manufacturers of highly engineered, low- and/or medium-voltage wire, cable, connector and harness solutions for control, instrumentation, thermocouple, power, and industrial automation applications.

Composite Technologies

The Composite Technologies segment includes (i) the Xerxes® brand, which manufactures fiberglass reinforced plastic underground storage tanks for retail fuel, water, stormwater and wastewater markets, and other water management products, and (ii) the Flexpipe® brand, which manufactures flexible composite pipe, used primarily for oil and gas gathering lines and other applications requiring corrosion resistance and high-pressure capabilities.

The reportable segments are supported by the Financial and Corporate structure which does not meet the definition of a reportable operating segment as defined under IFRS Accounting Standards and represents operating income, property, plant and equipment, and corporate office costs that are not allocated to either the Connection Technologies or the Composite Technologies reporting segments.

Segment

The following table sets forth information by segment for the three months ended June 30:

2026							
(in thousands of Canadian dollars)	**Connection Technologies**	**Composite Technologies**	**Financial and Corporate**	**Eliminations and Adjustments**	**Total Continuing Operations**	**Discontinued Operations**	**Total Continuing and Discontinued Operations**
Revenue	**$ 227,942**	**$ 168,252**	**$ —**	**$ —**	**$ 396,194**	**$ —**	**$ 396,194**
Income (Loss) from Operations for CODM	**$ 29,889**	**$ 21,180**	**$ (11,510)**	**$ —**	**$ 39,559**	**$ —**	**$ 39,559**
Additions to property, plant and equipment, net of disposals	**$ 4,498**	**$ 1,250**	**$ —**	**$ —**	**$ 5,748**	**$ —**	**$ 5,748**

2025							
(in thousands of Canadian dollars)	Connection Technologies	Composite Technologies	Financial and Corporate	Eliminations and Adjustments	Total Continuing Operations	Discontinued Operations	Total Continuing and Discontinued Operations
Revenue	$ 176,517	$ 144,440	$ —	$ —	$ 320,957	$ 1,697	$ 322,654
Income (Loss) from Operations for CODM	$ 10,530	$ 16,157	$ (16,252)	$ —	$ 10,435	$ (3,092)	$ 7,343
Additions to property, plant and equipment, net of disposals	$ 10,222	$ 3,966	$ 106	$ —	$ 14,294	$ —	$ 14,294

The following table sets forth information by segment for the six months ended June 30,

2026							
(in thousands of Canadian dollars)	**Connection Technologies**	**Composite Technologies**	**Financial and Corporate**	**Eliminations and Adjustments**	**Total Continuing Operations**	**Discontinued Operations**	**Total Continuing and Discontinued Operations**
Total Revenue	**$ 414,939**	**$ 303,070**	**$ —**	**$ —**	**$ 718,009**	**$ —**	**$ 718,009**
Income (Loss) from Operations for CODM	**$ 46,414**	**$ 35,708**	**$ (20,010)**	**$ —**	**$ 62,112**	**$ —**	**$ 62,112**
Additions to property, plant and equipment, net of disposals	**$ 6,447**	**$ 2,572**	**$ (4)**	**$ —**	**$ 9,015**	**$ —**	**$ 9,015**
As at June 30, 2026							
Goodwill	**$ 136,426**	**$ 146,888**	**$ —**	**$ —**	**$ 283,314**	**$ —**	**$ 283,314**
Total assets	**$ 923,346**	**$ 726,895**	**$ 67,126**	**$ 3,357**	**$ 1,720,724**	**$ —**	**$ 1,720,724**
Total liabilities	**$ 316,469**	**$ 215,401**	**$ 382,997**	**$ 3,361**	**$ 918,228**	**$ —**	**$ 918,228**

	2025						
(in thousands of Canadian dollars)	Connection Technologies	Composite Technologies	Financial and Corporate	Eliminations and Adjustments	Total Continuing Operations	Discontinued Operations	Total Continuing and Discontinued Operations
Revenue	$ 363,863	$ 277,214	$ —	$ —	$ 641,077	$ 24,998	$ 666,075
Income (Loss) from Operations for CODM	$ 28,571	$ 28,964	$ (28,659)	$ —	$ 28,876	$ 4,401	$ 33,277
Additions to property, plant and equipment, net of disposals	$ 14,266	$ 11,386	$ 106	$ —	$ 25,758	$ 19	$ 25,777
As at December 31, 2025							
Goodwill	$ 132,327	$ 145,919	$ —	$ —	$ 278,246	$ —	$ 278,246
Total assets	$ 934,857	$ 665,513	$ 11,288	$ (8,368)	$ 1,603,290	$ —	$ 1,603,290
Total liabilities	$ 310,766	$ 182,897	$ 357,328	$ (1,511)	$ 849,480	$ —	$ 849,480

Geographical Segment Revenue Information

The table below sets forth, by geographical region, revenue for the following periods for the Connection Technologies Segment:

	Three months ended		Six months ended	
(in thousands of Canadian dollars)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
North America	**$ 197,354**	$ 146,849	**$ 353,420**	$ 304,963
EMEA[(a)]	**26,960**	25,958	**54,321**	51,888
Asia Pacific	**3,628**	3,710	**7,198**	7,012
Total revenue	**$ 227,942**	$ 176,517	**$ 414,939**	$ 363,863

(a) Refers to the Europe, Middle East, and Africa

The table below sets forth, by geographical region, revenue for the following periods for the Composite Technologies Segment:

	Three months ended		Six months ended	
(in thousands of Canadian dollars)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
North America	**$ 167,235**	$ 143,769	**$ 301,283**	$ 274,487
EMEA	**1,017**	671	**1,787**	2,561
Asia Pacific	**—**	—	**—**	166
Total revenue	**$ 168,252**	$ 144,440	**$ 303,070**	$ 277,214

4 Finance Costs, net

The following table sets forth the Company's finance costs for the following periods:

	Three months ended June 30,		Six months ended June 30,	
(in thousands of Canadian dollars)	**2026**	2025	**2026**	2025
Interest income	**$ (146)**	$ (207)	**$ (427)**	$ (595)
Interest expense on long-term debt	**8,006**	8,086	**15,029**	14,233
Interest expense, other	**995**	1,008	**2,066**	1,827
Interest expense on lease liabilities	**2,386**	2,598	**4,741**	5,250
Finance Costs – Net from continuing operations	**$ 11,241**	$ 11,485	**$ 21,409**	$ 20,715
Finance Income – Net from discontinued operations	**$ —**	$ (147)	**$ —**	$ (309)

5 Income Taxes

The following table sets forth a reconciliation of the Company's effective income tax for the six months ended June 30:

(in thousands of Canadian dollars)		Six months ended June 30, 2026		2025
Expected income tax expense based on statutory rate	$	**10,120**	$	1,996
Income tax rate differential on earnings of foreign subsidiaries		**(202)**		1,097
Benefit of previously unrecognized deferred tax assets		**(374)**		(41,965)
Deferred tax not recognized		**1,194**		2,080
Change in estimates related to prior years		**(84)**		(143)
Non-deductible amounts		**1,190**		483
Withholding taxes		**385**		(70)
Recognition of previously unrecognized temporary difference on investment in subsidiary		**102**		286
State tax and other		**1,157**		44
Income Tax Expense (Recovery)	**$**	**13,488**	$	(36,192)

Global minimum top-up tax

The Company operates in certain jurisdictions that have enacted or substantively enacted the OECD's Pillar Two model rules and is subject to a global minimum top-up tax that applies to large multinational enterprise groups with global consolidated revenues over €750 million. The Company has applied a temporary mandatory exception from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when incurred.

During the six-month period ended June 30, 2026, the Company prepared and filed its first Pillar Two tax returns (including the GloBE Information Return and relevant local minimum tax returns) for the constituent entities within the group for the financial year ended December 31, 2024. Based on the final tax filings and the updated assessment for the current interim period, the Company's effective tax rate in all jurisdictions where it operates exceeds 15%, or the jurisdictions qualify for the Transitional Country-by-Country Reporting (CbCR) Safe Harbours. Consequently, no current Pillar Two top-up tax expense or liability has been recognized in these condensed interim financial statements (six-month period ended June 30, 2025: nil).The Company continues to monitor legislative changes and operational updates to ensure ongoing compliance with Pillar Two requirements across all active jurisdictions.

6 Earnings Per Share

The following table details the weighted average number of shares outstanding for the purposes of calculating basic and diluted EPS:

(in thousands of Canadian dollars, except share and per share amounts)		**Three months ended June 30, 2026**				
		Continuing Operations		**Discontinued Operations**		**Total**
Net Income for the period	**$**	**19,819**	**$**	**—**	**$**	**19,819**
Weighted average number of shares outstanding – basic (000s)		**61,379**		**—**		**61,379**
Basic EPS	**$**	**0.32**	**$**	**—**	**$**	**0.32**
Net Income for the period	**$**	**19,819**	**$**	**—**	**$**	**19,819**
Weighted average number of shares outstanding – diluted (000s)		**61,672**		**—**		**61,672**
Diluted EPS	**$**	**0.32**	**$**	**—**	**$**	**0.32**

(in thousands of Canadian dollars, except share and per share amounts)	Three months ended June 30, 2025		
	Continuing Operations	Discontinued Operations	Total
Net Loss for the period	$ (3,716)	$ (3,269)	$ (6,985)
Weighted average number of shares outstanding – basic (000s)	61,878	61,878	61,878
Basic EPS	$ (0.06)	$ (0.05)	$ (0.11)
Net Loss for the period	$ (3,716)	$ (3,269)	$ (6,985)
Weighted average number of shares outstanding – diluted (000s)	61,878	61,878	61,878
Diluted EPS	$ (0.06)	$ (0.05)	$ (0.11)

(in thousands of Canadian dollars, except share and per share amounts)	**Six months ended June 30, 2026**		
	Continuing Operations	Discontinued Operations	Total
Net Income for the period	**$ 27,215**	**$ —**	**$ 27,215**
Weighted average number of shares outstanding – basic (000s)	**61,364**	**—**	**61,364**
Basic EPS	**$ 0.44**	**$ —**	**$ 0.44**
Net Income for the period	**$ 27,215**	**$ —**	**$ 27,215**
Weighted average number of shares outstanding – diluted (000s)	**61,591**	**—**	**61,591**
Diluted EPS	**$ 0.44**	**$ —**	**$ 0.44**

(in thousands of Canadian dollars, except share and per share amounts)	Six months ended June 30, 2025		
	Continuing Operations	Discontinued Operations	Total
Net Income for the period	$ 44,353	$ 1,388	$ 45,741
Weighted average number of shares outstanding – basic (000s)	62,317	62,317	62,317
Basic EPS	$ 0.71	$ 0.02	$ 0.73
Net Income for the period	$ 44,353	$ 1,388	$ 45,741
Weighted average number of shares outstanding – diluted (000s)	62,495	62,495	62,495
Diluted EPS	$ 0.71	$ 0.02	$ 0.73

7 Share-based and Other Incentive-based Compensation

The Company employs a number of long-term incentive plans that include a stock option plan without Tandem Share Appreciation Rights, a stock option plan with Tandem Share Appreciation Rights (SARs), a Restricted Share Unit (“RSU”), a Deferred Share Unit Plan (“DSU”) and a Mattr Cash Performance Share Unit Plan (“CPSU”).

The following tables summarize the information related to these plans and set forth the incentive-based compensation (recovery) expense for the period indicated:

(in thousands of Canadian dollars)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Stock option expense	**$ 2**	$ 22	**$ 15**	$ 62
DSU expense	**2,311**	1,457	**3,209**	258
RSU expense	**867**	495	**1,729**	1,009
SARs expense	**1,349**	557	**1,538**	62
CPSU expense (recovery)	**3,065**	709	**2,566**	(343)
Total Share-based and Other Incentive-based Compensation expense	**$ 7,594**	$ 3,240	**$ 9,057**	$ 1,048

Six months ended June 30, 2026

	Stock Options without SARs[a] Total Shares	Stock Options without SARs[a] Weighted Average Share Price	Stock Options with SARs[a] Total Shares	Stock Options with SARs[a] Weighted Average Share Price[b]	RSU Total Shares	RSU Weighted Average Share Price[c]	DSU Total Shares	DSU Weighted Average Share Price[c]
Balance Outstanding – Beginning of Period	**812,555**	**$ 20.80**	**273,287**	**$ 5.43**	**522,143**	**$ 12.04**	**485,584**	**$ 14.53**
Granted	—	—	—	—	**539,386**	**8.00**	**64,857**	**10.39**
Exercised	**(36,850)**	**6.71**	**(16,795)**	**4.91**	**(196,336)**	**10.15**	—	—
Cancelled/Forfeited	—	—	—	—	**(8,414)**	**11.53**	—	—
Expired	**(17,459)**	**23.42**	—	—	—	—	—	—
Balance Outstanding – End of Period	**758,246**	**$ 21.42**	**256,492**	**$ 11.78**	**856,779**	**$ 9.94**	**550,441**	**$ 14.04**
Exercisable	**748,742**	**$ 21.63**	**225,102**	**$ 4.51**	**102,546**	**$ 9.61**	**—**	**$ —**

(a) The Company has discontinued the usage of options in its compensation program and has not awarded stock options since January 2022.
(b) The weighted average share price refers to the fair value of the underlying shares of the Company on the grant date of the SARs.
(c) RSU and DSU awards do not have an exercise price; their weighted average Share Price is the weighted average trading price of the common shares over the five trading days preceding the grant date.

On March 3, 2010, the Board approved the amended 2001 Employee stock option Plan (the "Amended 2001 Employee Plan"). The fair value of options granted under the Amended 2001 Employee Plan will be amortized to compensation expense over the vesting period of the options. The compensation cost from the amortization of stock options for the six months ended June 30, 2026 included in selling, general and administrative expenses was $0.1 million (six months ended June 30, 2025 – $0.1 million expense).

The mark-to-market liability for the stock options with SARs as at June 30, 2026 is $3.0 million (December 31, 2025 – $1.5 million), all of which is included in current other liabilities on the condensed interim consolidated balance sheets.

The mark-to-market liability for the DSUs as at June 30, 2026 is $7.1 million (December 31, 2025 – $3.9 million), all of which is included in current other liabilities on the condensed interim consolidated balance sheet.

The CPSU liability as at June 30, 2026 is $4.5 million (December 31, 2025 – $2.8 million), of which $1.1 million is included in current other liabilities and $3.4 million in non-current other liabilities on the condensed interim consolidated balance sheet.

8 Supplemental Cash Flow Information

The following table sets forth the supplemental cash flow information on net change in non-cash working capital and foreign exchange for the three and six months ended June 30:

	Three months ended		Six months ended	
(in thousands of Canadian dollars)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Accounts receivable	**$ (50,256)**	$ (2,588)	**$ (99,695)**	$ (31,768)
Inventory	**(23,198)**	30,632	**(50,264)**	(1,282)
Prepaid expenses	**(836)**	617	**(654)**	(1,123)
Contract assets	**—**	2,539	**—**	2,431
Contract liabilities	**2,079**	(4,093)	**7,580**	(6,518)
Accounts payable and accrued liabilities, income taxes, and other liabilities	**24,723**	(35,339)	**36,715**	(20,521)
Foreign exchange losses and other	**(7,226)**	2,507	**(3,951)**	24,194
Total change in non-cash working capital from continuing operations	**$ (54,714)**	$ (5,725)	**$ (110,269)**	$ (34,587)

9 Long-term Debt and Credit Facilities

The following table sets forth the Company's total long-term debt as at:

(in thousands of Canadian dollars)	**June 30, 2026**	December 31, 2025
Credit Facility	**$ 141,131**	$ 116,147
Senior Notes, unsecured [(a)]	**307,778**	307,963
Redemption option derivative asset	**(6,715)**	(6,715)
Deferred transaction costs	**(8,649)**	(8,732)
Total Long-term Debt	**$ 433,545**	$ 408,663

(a) The Senior Notes includes initial redemption option of $6.0 million and $2.3 million premium.

Credit Facilities

The following table sets forth the Company's total credit facilities as at:

(in thousands of Canadian dollars)	**June 30, 2026**	December 31, 2025
Borrowings on Credit Facility	**$ 141,131**	$ 116,147
Standard letters of credit for financial guarantees, performance and bid bonds	**13,274**	13,490
Total utilized credit facilities	**$ 154,405**	$ 129,637
Total available credit facilities [(a)] [(b)]	**498,322**	481,548
Unutilized Credit Facilities [(b)]	**$ 343,917**	$ 351,911

(a) The Company guarantees the bank credit facilities of its subsidiaries.
(b) Subject to covenant restrictions

The Company was in full compliance with financial covenants on both long-term debt and credit facilities as at June 30, 2026.

Credit Facility Renewal

On April 2, 2026, the Company amended its Credit Facility to further extend the maturity date from April 19, 2028 to October 2, 2030 and to enhance flexibility while maintaining the existing lender group, outstanding borrowings, secured revolving structure, amounts of available credit and the existing currency of drawings. Under the amended agreement, the Company is required to maintain an Interest Coverage Ratio of not less than 2.50:1.00 and a Secured Net Debt to Adjusted EBITDA covenant of not greater than 3.00:1.00, which temporarily increases to 3.50:1.00 for up to four quarters following a material acquisition. The Company will pay a floating interest rate on this Credit Facility, which is a function of the Company's Net Debt to EBITDA ratio and other adjustments. For calculating the Secured Leverage Ratio, Secured Net Debt excludes the Senior Notes and the first $100 million of performance and bid bond letters of credit and all standard letters of credit that are guaranteed by Export Development Canada. The Company incurred fees and expenses of $1.0 million to implement this renewal.

As at June 30, 2026, $141.1 million (December 31, 2025 - $116.1 million) has been borrowed under the credit facility.

10 Share Capital

There are an unlimited number of common shares authorized. Holders of common shares are entitled to one vote per share. All shares have been issued and fully paid and have no par value.

On June 26, 2026, the Company announced that the TSX had approved the Company's notice of intention to renew its NCIB for common shares of the Company (the "Common Shares"). The renewed NCIB commenced on June 30, 2026 and will terminate one year after its commencement, or earlier if the maximum allowable number of shares are repurchased or the NCIB is terminated earlier at the option of the Company. The previous NCIB terminated on June 29, 2026, one year after its commencement. Pursuant to the NCIB, the Company may purchase for cancellation up to 3,624,895 Common Shares, representing approximately 10% of the Company's public float as at June 16, 2026. The actual number of Common Shares which may be purchased pursuant to the NCIB and the timing of any such purchases will be determined by the Company, subject to applicable law and the rules of the TSX and/or the rules of the Other Exchanges, if eligible, to the extent made through such facilities.

For the six months ended June 30, 2026, the Company repurchased for cancellation a total of 0.1 million of its common shares for an aggregate repurchase price of approximately $1.8 million at a weighted average price of approximately $12.81 per common share, with an aggregated cost of approximately $1.4 million at a weighted average cost of approximately $10.27 per common share. For the six months ended June 30, 2025, the Company repurchased for cancellation a total of 1.7 million of its common shares for an aggregated repurchase price of approximately $18.1 million at a weighted average price of approximately $10.83 per common share, with an aggregated cost of approximately $17.8 million at a weighted average cost of approximately $10.63 per common share.

The following table sets forth the changes in the Company's shares for the periods indicated:

(all dollar amounts in thousands of Canadian dollars)		**June 30, 2026**
Number of shares		
Balance – December 31, 2025		61,183,849
Issued on exercise of stock options		53,645
Issued on exercise of RSUs		196,336
Share repurchase – NCIB		(136,700)
Balance – June 30, 2026		**61,297,130**
Stated value		
Balance – December 31, 2025	$	628,346
Issued – stock options		330
Compensation cost on exercised options		130
Compensation cost on exercised RSUs		2,280
Share repurchase – NCIB		(1,443)
Balance – June 30, 2026	**$**	**629,643**