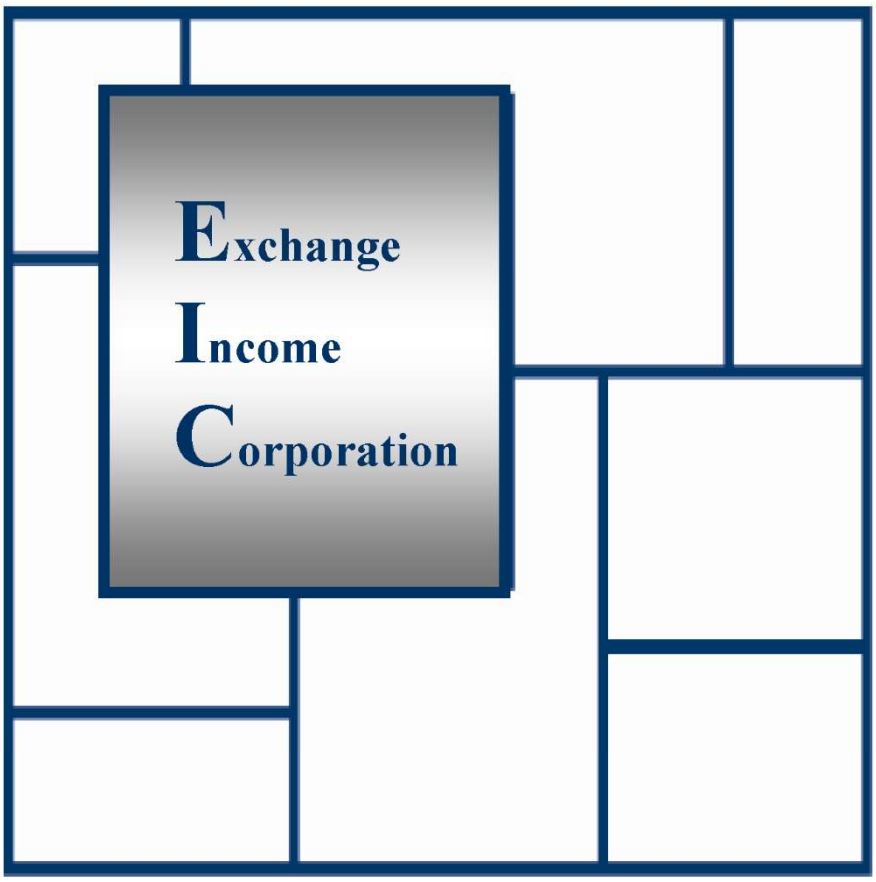


Third Quarter Report

For the nine months ended

September 30, 2026

CEO's Message

The third quarter is punctuated by the large number of milestones achieved. Our business model continues to perform as we had intended when we created EIC over twenty years ago. Being able to communicate numbers in **the billions** is an important milestone for our Board and our management teams, whether it be our billion-dollar Adjusted EBITDA guidance, our third quarter billion-dollar revenue figure, or the signing of the Future Air Crew Training contract with a three-quarters of a billion value over its term. This quarter is truly a record setting quarter in the history of EIC considering the period over period results did not include any material acquisitions thereby illustrating the growth driven by organic investments, related compounding returns and operational excellence which is driving significant increases in per share amounts and records set in our payout ratios, while de-levering our balance sheet as evidenced by 15 year lows in our leverage ratio.

During the third quarter results announcement we issued our Adjusted EBITDA guidance for the next fiscal year. Our 2027 Adjusted EBITDA guidance is $1.0 billion to $1.06 billion, which represents over a 20% increase from the midpoint of our original 2026 guidance. Reaching the billion-dollar milestone for our 2027 guidance is a remarkable achievement and something the Board and management are incredibly proud of. It is evidence of what happens when you combine great businesses with defendable niches, exceptional management teams with an entrepreneurial spirit and a disciplined capital investment philosophy for both acquisitions and organic investment; the sum-total are results that compound over time. It is also important to highlight that the growth in 2027 guidance over our 2026 results is substantially driven by organic growth in our underlying businesses as opposed to large acquisitions which makes the billion-dollar threshold even more impressive.

The record setting third quarter of 2026 continued our positive momentum from our 2026 prior quarters results. We set all-time quarterly high-water marks in all our key metrics, including quarterly revenue, in addition to records in our earnings per share, free cash flow per share, and payout ratio metrics. The fundamental strength of our underlying business lines, coupled with our resilient and stable business model, allows us to confidently state that we expect our Adjusted EBITDA for fiscal 2026 to be at or above the top end of our range of $890 million to $920 million. This update is notable in that we have revised our guidance upwards four separate times throughout the year due to the fundamental strength in our business lines. This is even more impressive when you consider that our Multi-Storey Window Solutions business line is operating in very challenging market conditions, which provides further opportunity for growth in the medium and longer term without material additional investment. During our second quarter reporting, we announced an increase in our dividend from $2.76 to $2.88 on an annualized basis. The dividend increase aligned with our stated purpose of providing a stable and growing dividend to our shareholders and continued our 5% cumulative annual growth rate in our dividend, which is a significant accomplishment. Even with the increased dividend and increased number of shares outstanding due to the conversion of the convertible debentures in 2025, our payout ratios have hit all-time bests. This demonstrates the stability and resiliency of our model along with the significant cash flow generating capability of our businesses.

We continue to maintain a very strong financial position with our leverage ratio at 15-year lows and approximately $2.2 billion of capital available to deploy for accretive acquisitions and Growth Capital Expenditures. While capital remains abundantly available, it does not change our disciplined approach to deploying capital to ensure that we exceed our target rates of return. This discipline has served us well throughout our history and has resulted in EIC being one of North America's strongest compounding stocks from a cumulative aggregate total shareholder return since our inception in 2004.

Financial Highlights from EIC's Third Quarter 2026

- All-time record quarterly Revenue of $1.1 billion, an increase of $98 million or 10% compared to the prior period.
- All-time record quarterly Adjusted EBITDA of $288 million, representing growth of $57 million over the prior period or 25%.
- Record third quarter Free Cash Flow of $219 million representing growth of 28% compared to the prior period of $171 million.
- Record third quarter Net Earnings of $96 million compared to the prior period of $69 million, an increase of 39%, and record Net Earnings per share of $1.70 compared to the prior period of $1.32 or an increase of 29%.
- Record third quarter Adjusted Net Earnings of $102 million compared to the prior period of $76 million, an increase of 35%, and record Adjusted Net Earnings per share of $1.81 compared to the prior period of $1.46 or an increase of 24%.
- Record third quarter Free Cash flow less Maintenance Capital Expenditures of $115 million compared to $88 million in the prior period or an increase of 31%.
- Trailing Twelve-Month Free Cash Flow less Maintenance Capital Expenditures Payout Ratio improved to an all-time low of 52% compared with the prior period of 63% and Trailing Twelve Month Adjusted Net Earnings Payout Ratio was an all-time low 60% compared to the prior period of 76%. The significant improvements in our payout ratios included period over period increases in weighted average number of shares outstanding of 10% along with the increases in the dividend in the fourth quarter of 2025 and the third quarter of 2026.
- Subsequent to quarter end announced the acquisition of TerraPro for a purchase price of $30 million which will be integrated with our Environmental Access Solutions Canadian operations and will allow the Company to capitalize on the anticipated future tailwinds associated with the business line.

- Subsequent to quarter end announced the acquisition of Cartel for a purchase price of $15 million which will be integrated with WesTower within our Precision Manufacturing and Engineering business line and will allow the Company to expand on its design, engineering and systems integration capabilities as requirements for in-building wireless and emergency responder coverage continues to grow.

2026 Guidance Update

- Based on our very strong results, continued momentum in our operations and outlook for each of our business lines we previously stated that we expected our Adjusted EBITDA for Fiscal 2026 to be in the range of $890 million to $920 million. We now expect to be at or above the top end of that range.

2027 Guidance

- Our resilient and diversified business model coupled with the contractual wins announced provides us with confidence that our Adjusted EBITDA for Fiscal 2027 is expected to be in the range of $1.0 billion to $1.06 billion. For clarity, the Adjusted EBITDA guidance is based on all currently announced contractual wins and existing contracts expected to be renewed, but excludes the impact of potential future contracts or acquisitions.

Revenue generated by the Aerospace & Aviation segment increased by $39 million or 6% to $720 million and Adjusted EBITDA increased by $41 million or 20% to $243 million over the comparative period. The significant drivers of the revenue and profitability increases relate to continued strength in our Aircraft Sales & Leasing business line, including the acquisition of Mach2, enhanced profitability related to Growth Capital Expenditures undertaken in prior years, strong load factors, increased tempo of flying on owned ISR aircraft and the impact of the second aircraft for the UK Home Office contract that was added during the fourth quarter of 2025.

Our Essential Air Services business line continued its momentum driven by the current demand environment and expectations for generational investments into the North. EIC and its air operators are synonymous with Northern aviation, and our partnership and relationships have never been stronger with the communities we serve. We continue to see strong demand for our scheduled, charter, cargo and medevac services across our geographies. We are also experiencing a strong level of inbound interest from governments around the world for our world-class ISR and modification services. We continue to be a global leader in the industry verticals that we serve in our Aerospace business line. Our Aircraft Sales & Leasing business line continues to see strong demand around the globe for its aircraft, engine and parts. The acquisition of Mach2 and the integration of the business are ahead of internal expectations and will provide for further diversification of cash flow and an additional growth vector into the Boeing 737 and widebody commercial market.

Manufacturing segment revenue increased by $59 million or 21% to $338 million and Adjusted EBITDA increased by $17 million or 39% to $62 million over the comparative period. Our Environmental Access Solutions business line continued to see very strong volumes on mat rentals supporting the acceleration of revenue and profitability when compared to the prior period. We closed the acquisition of TerraPro which will provide further contribution to the business line and will allow us to further capitalize on the industry tailwinds anticipated. Our Multi-Storey Window Solutions business line continued to perform consistent with expectations as the market works through a softer demand environment driven by project timing and developer decision making. Our bookings once again exceeded revenue recognized for the third consecutive quarter, resulting in further expansion in our backlog. While we are encouraged by recent booking trends, it is a short period of data and we are not yet ready to make predictions about the recovery of the market as it remains highly competitive, especially as the Southern Ontario market remains challenged. Our Precision Manufacturing and Engineering business line continued with the positive momentum experienced and noted strong operating performance across several end markets slightly offset by customer order deferrals at DryAir due to the direct impact of tariffs enacted in August 2026.

We are continuing to see strong levels of quoting and customer orders throughout our Manufacturing business lines. Our Environmental Access Solutions business line is experiencing robust demand in our various end markets including transmission and distribution, pipeline and the oil and gas sector. Our System 7-XT mat continues to be a market leader and the demand for the mat has continued to accelerate. The construction of our state-of-the-art composite mat manufacturing facility in Saltillo, Mississippi continues to progress on time and on budget, which will allow us to meet the demands of the marketplace. Our Canadian operations continue to experience significant increases of the number of mats on rent, and our facilities have been manufacturing mats to meet the market needs. Our Precision Manufacturing and Engineering business line saw strong demand throughout the quarter from customers in the defence, technology, communications and data farm infrastructure industries. The ongoing need for affordable housing across North America continues to support an attractive medium and long-term outlook for the Multi-Storey Window Solutions business line. When the inevitable return to normal operations occurs, we anticipate significant operating leverage as the pre-tax profitability gains will flow to the bottom line because of the decisions made to optimize operations and retain skilled staff.

We are very pleased with these record-setting results, providing us with confidence in updating our guidance upwards for a fourth time as we anticipate being at or above the top end of our previously communicated range of $890 million to $920 million. The fundamental, essential nature of our business provided us with confidence in continuing to invest over $90 million in Growth Capital Expenditures during the third quarter, compounding existing returns and strengthening the competitive positions built to date. Consistent with our strategy, we also expect to continue acquiring companies that meet our stringent and disciplined acquisition criteria to enhance existing business lines and further diversify our results. Each of our business lines has been experiencing positive momentum and we are excited about the opportunities ahead as our strategy continues to deliver record results.

In closing, a $1 billion Adjusted EBITDA range in 2027 is a milestone measured in dollars, but it was built through two decades of consistent decision making, thousands of employees and a relentless commitment to the culture that makes EIC special. I wanted to thank each of our 10,000 employees around the globe for the difference they make for our customers and for the difference they make in the communities we serve and live in. I also wanted to thank our shareholders who have placed trust in the Board of Directors and management as we continue to execute our strategy that was set out more than 20 years ago and still guides us to this day. We are extremely proud of the accomplishments that we have achieved in the twenty plus years since inception, especially our 20% plus per annum total shareholder returns achieved for over 20 years.

Thank you once again.

Mike Pyle

Chief Executive Officer

Exchange Income Corporation

November 12, 2026

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PREFACE

This Management's Discussion and Analysis ("MD&A") supplements the unaudited interim condensed consolidated financial statements and related notes for the three and nine months ended September 30, 2026 ("Consolidated Financial Statements") of Exchange Income Corporation ("EIC" or "the Corporation"). All amounts are stated in thousands of Canadian dollars, except per share information and share data, unless otherwise stated.

This MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements of the Corporation for the three and nine months ended September 30, 2026, and in conjunction with the MD&A and audited consolidated financial statements and related notes for the year ended December 31, 2025. The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB") applicable to interim financial statements.

FORWARD-LOOKING STATEMENTS

This report and the documents incorporated by reference herein contain forward-looking statements. All statements other than statements of historical fact contained in this report and the documents incorporated by reference herein are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, completed and potential acquisitions or investments and the potential impact of such completed and/or potential acquisitions or investments on the operations, financial condition, capital resources and business of the Corporation and/or its subsidiaries, the Corporation's policy with respect to the amount and/or frequency of dividends, budgets, litigation, projected costs and plans and objectives of or involving the Corporation or its subsidiaries or any businesses to potentially be acquired by the Corporation. Prospective investors can identify many of these statements by looking for words such as "believes", "expects", "will", "may", "intends", "projects", "anticipates", "plans", "estimates", "continues" and similar words or the negative thereof. Although management believes that the expectations represented in such forward-looking statements are reasonable at the time they are made, there can be no assurance that such expectations will prove to be correct.

Forward-looking statements are necessarily based upon a number of expectations or assumptions that, while considered reasonable by management at the time the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that such expectations or assumptions will prove to be correct. A number of factors could cause actual future results, performance, achievements, and developments of the Corporation and/or its subsidiaries to differ materially from anticipated results, performance, achievements, and developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to: economic and geopolitical conditions; competition; government funding for Indigenous health care; access to capital; market trends and innovation; general uninsured loss; climate; acts of terrorism, armed conflict, labour and/or social unrest; pandemic; level and timing of government spending; government-funded programs; environmental, social and governance; significant contracts and customers; operational performance and growth; laws, regulations and standards; acquisition risk (including receiving any requisite regulatory approvals thereof); concentration and diversification risk; maintenance costs; access to parts and relationships with key suppliers; casualty losses; environmental liability risks; dependence on information systems and technology; cybersecurity; international operations risks; fluctuations in sales prices of aviation related assets; fluctuations in purchase prices of aviation related assets; warranty risk; performance guarantees; global offset risk; intellectual property risk; availability of future financing; income tax matters; commodity risk; foreign exchange; interest rates; credit facility; dividends; unpredictability and volatility of securities pricing; dilution risk; credit risk; indebtedness; reliance on key personnel; employees and labour relations; and conflicts of interest. A further discussion of these risks is included in *Section 11 – Risk Factors*. For each of the foregoing reasons, readers are cautioned not to place undue reliance on forward-looking statements. The information contained or incorporated by reference in this report identifies additional factors that could affect the operating results and performance of the Corporation and its subsidiaries. Assumptions about the performance of the businesses of the Corporation and its subsidiaries are considered in setting the business plan for the Corporation and its subsidiaries and in setting financial targets. Should one or more of the risks materialize or the assumptions prove incorrect, actual results, performance, or achievements of the Corporation and its subsidiaries may vary materially from those described in forward-looking statements.

The forward-looking statements contained herein or contained in a document incorporated by reference herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included or incorporated by reference in this report are made as of the date of this report or such other date specified in such statement. Except as required by law, the Corporation disclaims any obligation to update any forward-looking information, estimates or opinions, future events or results, or otherwise.

EXCHANGE INCOME CORPORATION

The Corporation is a diversified, acquisition-oriented corporation focused on opportunities in the Aerospace & Aviation and Manufacturing segments. The business plan of the Corporation is to invest in profitable, well-established companies with strong cash flows operating in niche markets. The objectives of the Corporation are:

(i) to provide shareholders with stable and growing dividends;

(ii) to maximize shareholder value through ongoing active monitoring of and investment in its operating subsidiaries; and

(iii) to continue to acquire additional businesses or interests therein to expand and diversify the Corporation's investments.

Segment Summary

The Corporation's operating segments are strategic business units that offer different products and services. The Corporation has two operating segments: Aerospace & Aviation and Manufacturing.

All consolidated revenue percentages noted below have been calculated by adjusting revenues for business acquisitions that were completed in fiscal 2025 to reflect a full year contribution.

Aerospace & Aviation Segment

The Aerospace & Aviation segment is comprised of three lines of business: Essential Air Services, Aerospace, and Aircraft Sales & Leasing.

Essential Air Services includes both fixed wing and rotary wing operations. Under various brand names across Canada, our subsidiaries provide essential services to Canada's northern and remote communities, including medevac, passenger, charter, freight services, and auxiliary services. The majority of the communities we serve are not accessible year-round by ground transportation, meaning our airlines provide a vital link into these communities. Our operations span across Canada, and more specifically include operations in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Nunavut, Northwest Territories, Ontario, and Quebec. The Corporation also operates two flight schools, training pilots both for our own airlines and for airlines around the world.

Essential Air Services accounted for approximately 45% of the Corporation's consolidated revenues in fiscal 2025. Items impacting margins within this business are load factors, weather, fuel prices and, in the current operating environment, the ability to source a full complement of pilots and aircraft mechanics.

Essential Air Services includes the operations of Calm Air International LP, Bradley Air Services Limited (Canadian North), CANLink Aviation Inc. (MFC Training), Carson Air Ltd., Custom Helicopters Ltd., Keewatin Air LP, PAL Airlines Ltd., and Perimeter Aviation LP (including its operating division, Bearskin Airlines).

Aerospace includes our vertically integrated aerospace offerings that provide customized and integrated special mission aircraft solutions primarily to governments across the globe. These services encompass mission systems design and integration, aircraft modifications, intelligence, surveillance, reconnaissance operations ("ISR"), software development, logistics and in-service support. Most of these services are provided pursuant to long term government contracts. In addition, our subsidiaries deliver training solutions across an array of aviation platforms and have in-depth experience in training pilots and sensor operators on both manned and unmanned aircraft for government agencies.

Aerospace accounted for approximately 9% of the Corporation's consolidated revenues in fiscal 2025. Training solutions typically generate lower margins as there are low capital requirements outside of working capital, whereas ISR flying operations typically have higher margins as the upfront investment in the owned assets to perform the ISR flying operations is reflected as an expense through depreciation.

Aerospace includes the operations of Crew Training International, Inc. and PAL Aerospace Ltd.

Aircraft Sales & Leasing includes aftermarket aircraft, engine and parts sales, aircraft and engine leasing and aircraft management services. Our subsidiaries specialize in commercial aircraft and seek to monetize their portfolio over the full life cycle of the asset. Our subsidiaries are not typical finance lessors; rather, assets are leased for shorter durations to consume the available green time on those assets. Once the green time has been consumed, the assets can then either be overhauled and leased out again or torn down into piece parts and sold to airlines around the world to generate further cash flows. Revenue streams include selling whole aircraft, engines and components of those assets, leasing of aircraft and engines, and fee income earned through the provision of services for third parties such as asset management or consignment sales. Our expertise in understanding the value of each component of an aircraft and the anticipated demand for those

components, including the next major shop visits and next major overhaul event for each platform we specialize in, provides a competitive advantage on what to buy and what to pay.

Aircraft Sales & Leasing accounted for approximately 14% of the Corporation's consolidated revenues in fiscal 2025. The most significant item impacting margins in this line of business is sales mix. Leasing contributes very high margins and therefore variability in leasing revenue has the largest impact on margins. Within this business line, parts revenue is the most predictable and stable from both sales and margin perspectives; whereas the sales of aircraft and engines varies on a period to period basis, both in volume and in price, but are generally higher dollar and lower margin transactions.

Aircraft Sales & Leasing includes the operations of EIC Aircraft Leasing Limited, MnM Aircraft Component Holdings Inc ("Mach2"), and Regional One, Inc.

Manufacturing Segment

The Manufacturing segment is comprised of three lines of business: Environmental Access Solutions, Multi-Storey Window Solutions, and Precision Manufacturing & Engineering.

Environmental Access Solutions provides matting solutions in both Canada and the United States.

In Canada, Environmental Access Solutions is the largest provider of temporary access solutions, providing a turnkey service which includes planning, consultation, delivery and installation, logistical support, and removal and washing solutions. Our access solutions and related services provide temporary ground protection that allow customers to access job sites or use heavy machinery and equipment on wet, loose, or otherwise unstable or environmentally sensitive ground. Access mats and bridges provide access to remote areas in a much more environmentally friendly manner than the construction of temporary gravel roads and installation of culverts and water-diversion devices, which are difficult to remove and remediate and can cause cross-contamination of soil. As the largest operator in this industry, we provide a one-stop solution for our clients with a vertically integrated platform including in-house mat manufacturing capabilities, a sizable fleet of trucks and equipment, and a portable, patented closed-loop mat washing system.

In the United States, Environmental Access Solutions is one of three manufacturers of composite access mats. While these composite mats are used for the same purposes as the wood mats in Canada, the composite mats are fully recyclable at the end of their useful lives, offering customers a lighter weight, sustainable alternative to traditional wood mats in climates and applications where the composite mats outperform wood mats.

Environmental Access Solutions accounted for approximately 9% of the Corporation's consolidated revenues in fiscal 2025. Rentals generate higher margins than other lines of business within Environmental Access Solutions. Rental activity is influenced by several factors, such as the supply of mats in the marketplace, the availability and pricing of raw materials used in mat production, and weather conditions, including the amount of precipitation and temperature. In addition to rentals, the sale of mats and the overall sales mix in a given period can also have a significant impact on margins. These mat sale transactions are generally higher dollar value and lower margin when compared to rental revenue.

Environmental Access Solutions includes the operations of Northern Mat and Bridge LP, and Spartan Composites Inc.

Multi-Storey Window Solutions includes the design, manufacture and installation of the exteriors of residential and mixed-use high rise buildings which integrate residential, retail, and office spaces. Our subsidiaries manufacture an advanced unitized window wall system, curtain wall, and railing solutions. This business line provides solutions for the entire façade, including the windows, operable elements and opaque areas that surround the exterior envelope of a building. Our vertically integrated offering within Multi-Storey Window Solutions includes installation services in both Canada and in the United States. In the United States, we have the capability to install both our internally manufactured window solutions and those manufactured by others.

Multi-Storey Window Solutions accounted for approximately 11% of the Corporation's consolidated revenues in fiscal 2025. The most significant items impacting margins within this line of business are the cost of raw materials and product mix. Since our subsidiaries both manufacture and install exteriors of residential and mixed-use high-rise buildings, the margins realized in a particular period can vary based on the type of work performed. Installation, particularly on jobs completed with non-Quest/BVGlazing product, generates lower margins than for supply and install projects.

Multi-Storey Window Solutions includes the operations of BVGlazing Systems and Quest Window Systems.

Precision Manufacturing & Engineering provides engineering and precision manufacturing services throughout North America in a wide variety of industries. These services include: wireless and wireline construction and maintenance services; the manufacture of precision parts and components for a variety of industries; the manufacture of portable hydronic climate control equipment; the manufacture of

specialized stainless steel tanks, vessels, and processing equipment; electrical and control systems integration focused on the agricultural material handling segment; and the manufacture of specialized heavy-duty pressure washing and steam systems, commercial water recycling systems, and custom tanks.

Precision Manufacturing & Engineering accounted for approximately 12% of the Corporation's consolidated revenues in fiscal 2025. Margins in this line of business are typically stable. While there may be margin pressure in times of rapid escalation of prices of raw materials, generally our subsidiaries have the ability to pass on these costs to customers over time due to the specialty nature of the products that are being provided.

Precision Manufacturing & Engineering includes the operations of Ben Machine Products Company Incorporated, DryAir Manufacturing Corp., Hansen Industries Ltd., LV Control Mfg. Ltd., Overlanders Manufacturing LP, Stainless Fabrication, Inc., Water Blast Manufacturing LP, and WesTower Communications Ltd.

Management of the Corporation continuously monitors and provides support to the operating subsidiaries. The operating subsidiaries of the Corporation, however, operate autonomously and maintain their individual business identities.

1. FINANCIAL HIGHLIGHTS AND SIGNIFICANT EVENTS

The financial highlights for the Corporation for the periods indicated are as follows:

FINANCIAL PERFORMANCE	2026	per share basic	per share diluted	2025	per share basic	per share diluted
For the three months ended September 30						
Revenue	$ 1,057,448			$ 959,744		
Adjusted EBITDA(1)	287,703			230,569		
Net Earnings	95,626	$ 1.70	$ 1.66	68,737	$ 1.32	$ 1.24
Adjusted Net Earnings(1)	102,182	1.81	1.78	75,674	1.46	1.36
Free Cash Flow(1)	219,324	3.89	3.81	171,441	3.30	3.04
Free Cash Flow less Maintenance Capital Expenditures(1)	115,065	2.04	2.00	88,163	1.70	1.58
Dividends declared	40,053	0.71		34,699	0.66	
For the nine months ended September 30						
Revenue	$ 2,876,190			$ 2,347,948		
Adjusted EBITDA(1)	680,019			537,941		
Net Earnings	180,443	$ 3.20	$ 3.14	115,954	$ 2.26	$ 2.19
Adjusted Net Earnings(1)	199,957	3.55	3.48	137,125	2.67	2.56
Free Cash Flow(1)	500,316	8.88	8.71	376,349	7.33	6.76
Free Cash Flow less Maintenance Capital Expenditures(1)	230,482	4.09	4.01	171,150	3.33	3.16
Dividends declared	117,758	2.09		102,182	1.98	
Trailing Twelve months as at September 30						
Adjusted Net Earnings payout ratio(1)		60%			76%	
Free Cash Flow less Maintenance Capital Expenditures payout ratio(1)		52%			63%	

FINANCIAL POSITION	September 30, 2026	December 31, 2025
Working capital	$ 620,367	$ 568,091
Capital assets	2,582,770	2,356,976
Total assets	5,854,498	5,261,677
Long-term debt and senior unsecured notes	2,363,829	2,174,685
Equity	1,889,961	1,762,392

SHARE INFORMATION	September 30, 2026	September 30, 2025
Common shares outstanding	56,430,340	56,129,898
Weighted average shares outstanding during the period - basic	56,334,129	51,330,472

Note 1) As defined in *Section 12 – Non-IFRS Financial Measures and Glossary*.

SIGNIFICANT EVENTS

Credit Facility Upsize and Extension

On January 26, 2026, the Corporation amended its credit facility. The size of the enhanced credit facility availability increased to $3.5 billion from approximately $3.0 billion, and was extended to January 26, 2030. The increased size of the credit facility provides the Corporation with the highest level of available capital in its history, providing capacity to continue to execute on its core strategy of pursuing accretive growth through investment in its operating subsidiaries and through acquisition, and was completed with no change in pricing. The terms and conditions included within the facility are now more flexible than the Corporation's previous credit facility, including moving from a secured facility to an unsecured facility.

Acquisition of MnM Aircraft Component Holdings Inc.

On January 31, 2026, the Corporation acquired MnM Aircraft Component Holdings Inc. ("Mach2") for a purchase price of US $43 million, including purchase price consideration of US $9 million in EIC common shares, subject to customary post closing adjustments. Located in Pompano Beach Florida, Mach2 participates in the commercial segment of the global used aircraft serviceable material market. The acquisition accelerates Regional One's presence in the commercial aviation aftermarket.

Investment Grade Corporate Credit Rating

On February 18, 2026, the Corporation received an investment grade corporate credit rating from DBRS. The rating, BBB (low) with a stable outlook, provides the Corporation with the ability to access a new form of fixed rate capital in the corporate bond market to fund its next stage of growth, and lower its overall cost of capital, compared to the use of convertible debentures, which were all redeemed in 2025.

Investment Grade Senior Unsecured Note Offering

On March 13, 2026, the Corporation completed an offering of $600 million principal amount of senior unsecured notes. The Corporation initially launched an offering at $400 million and due to significant demand, upsized the offering to $600 million. The notes bear interest at a rate of 4.324% per annum, payable semi-annually in arrears on March 13th and September 13th each year and mature on March 13, 2031. The notes represent the Corporation's inaugural investment-grade offering, with DBRS assigning the notes a final rating of BBB (low) with a stable trend. The notes are senior unsecured, unsubordinated obligations of the Corporation, ranking pari passu with any other present or future unsecured, unsubordinated obligations of the Corporation. The net proceeds from the offering were used to repay indebtedness under the Credit Facility.

Normal Course Issuer Bid ("NCIB")

On March 30, 2026, the Corporation renewed its NCIB for common shares. Under the renewed NCIB for common shares, purchases can be made during the period commencing on April 1, 2026, and ending on March 31, 2027. The Corporation can purchase a maximum of 5,311,716 shares and daily purchases will be limited to 37,145 shares, other than block purchase exemptions. The Corporation renewed its NCIB because it believes that from time to time, the market price of the common shares may not fully reflect the value of the common shares. The Corporation believes that in such circumstances, the purchase of common shares represents an accretive use of capital.

Air Greenland Missionization Program

On July 6, 2026, the Corporation announced the finalized contract with Air Greenland to support the missionization of two DCH-8-200 aircraft for Maritime Domain Awareness operations in Greenland. The program includes aircraft modification, configuration, integration and related support activities, and is intended to deliver a capability tailored to Air Greenland's defined operational requirements. It is anticipated that the program will be supported throughout its service life including training, technical and software support, future modifications, supply chain support and scheduled maintenance activities.

Government of Nunavut Equity Option

On July 15, 2026, the Corporation announced the Government of Nunavut did not exercise their equity option for a minority interest in Canadian North after concluding that its objectives can be achieved without an equity investment. The Corporation's relationship with the Government of Nunavut is strong and will continue to strengthen as the Corporation executes on its Commercial Airline Travel Services Agreement.

Future Aircrew Training (FAcT program)

On July 15, 2026, the Corporation announced an agreement with SkyAlyne to provide the Royal Canadian Air Force (RCAF) FAcT program. This significant 25-year initiative is currently in a multi-year transition period to become the sole ab-initio aircrew training program for RCAF. The approximately $750 million contract was finalized in the fourth quarter of 2026. Under the agreement with SkyAlyne, the Corporation will provide all aircraft modifications for the RCAF CT-142Q Citadel, deliver Wings Standard training to all Air Combat Systems Officers and Airborne Electronic Sensor Operations throughout the life of the contract, and provide in-service support for the operation of the fleet.

Dividend Increase

On August 11, 2026, the Corporation increased its monthly dividend by 4% or $0.12 per annum to $2.88 per annum. The increase was effective beginning with the August dividend which was paid to shareholders of record in September 2026.

SUBSEQUENT EVENTS

Acquisition of TerraPro Inc.

On October 22, 2026, subsequent to the end of the period, the Corporation completed the acquisition of TerraPro, for a purchase price of $30 million, subject to customary post-closing adjustments. The purchase price was funded by cash in the amount of $29.5 million from the Corporation's credit facility and $0.5 million in EIC common shares to TerraPro shareholders. The purchase price is net of the Sherwood Park, Alberta property which will be acquired by EIC and subsequently sold with the proceeds being distributed to TerraPro shareholders. TerraPro is a fully integrated access-matting platform providing services across Western Canada, which is supported by its internal mat manufacturing capabilities, matting fleet, and specialized equipment.

Acquisition of Cartel Communication Systems Inc.

On November 1, 2026, subsequent to the end of the period, the Corporation completed the acquisition of Cartel Communication Systems Inc. ("Cartel"), for a purchase price of $15 million, subject to customary post-closing adjustments. The purchase price was funded by cash in the amount of $12.75 million from the Corporation's credit facility and $2.25 million in EIC common shares. Cartel, located in Langley, British Columbia, designs, installs and services dedicated wireless coverage systems that help maintain reliable mobile and emergency responder communications in areas where conventional wireless coverage can be limited.

2. RESULTS OF OPERATIONS

Three Month Results

The following section analyzes the financial results of the Corporation for the three months ended September 30, 2026, and the comparative 2025 period.

	Three Months Ended September 30, 2026			
	Aerospace & Aviation	Manufacturing	Head Office [2]	Consolidated
Revenue	$ 719,678	$ 337,770	$ -	$ 1,057,448
Expenses [1]	476,788	275,350	17,607	769,745
Adjusted EBITDA	242,890	62,420	(17,607)	287,703
Depreciation of capital assets				98,147
Amortization of intangible assets				6,082
Finance costs – interest				30,182
Depreciation of right of use assets				16,881
Interest expense on right of use lease liabilities				3,105
Acquisition costs				2,093
Earnings before income taxes				131,213
Current income tax expense				19,827
Deferred income tax expense				15,760
Net Earnings				$ 95,626
Net Earnings per share (basic)				$ 1.70
Adjusted Net Earnings				$ 102,182
Adjusted Net Earnings per share (basic)				$ 1.81

	Three Months Ended September 30, 2025			
	Aerospace & Aviation	Manufacturing	Head Office [2]	Consolidated
Revenue	$ 680,477	$ 279,267	$ -	$ 959,744
Expenses [1]	478,767	234,317	16,091	729,175
Adjusted EBITDA	201,710	44,950	(16,091)	230,569
Depreciation of capital assets				84,737
Amortization of intangible assets				6,084
Finance costs – interest				30,969
Depreciation of right of use assets				12,612
Interest expense on right of use lease liabilities				2,776
Acquisition costs				2,319
Earnings before income taxes				91,072
Current income tax expense				13,142
Deferred income tax expense				9,193
Net Earnings				$ 68,737
Net Earnings per share (basic)				$ 1.32
Adjusted Net Earnings				$ 75,674
Adjusted Net Earnings per share (basic)				$ 1.46

Note 1) Expenses include aerospace & aviation expenses (excluding depreciation and amortization), manufacturing expenses (excluding depreciation and amortization), and general and administrative expenses.

Note 2) Head Office is not a separate reportable segment. It includes expenses incurred at the head office of the Corporation and is presented for reconciliation purposes.

REVENUE AND ADJUSTED EBITDA *(Section 12 – Non-IFRS Financial Measures and Glossary)*

On a consolidated basis, the Corporation generated revenue of $1.1 billion, an increase of $98 million, or 10% over the prior period. The increase was experienced in both the Aerospace & Aviation and Manufacturing segments, which increased by $39 million, or 6% and $59 million, or 21% respectively.

Adjusted EBITDA of $288 million was generated by the Corporation during the period, an increase of $57 million or 25% over the prior period. The increase was attributable to both segments, with an increase in the Aerospace & Aviation segment of $41 million, or 20%, and the Manufacturing segment of $17 million, or 39%, partially offset by an increase in Head Office costs. Head office costs increased primarily due to expenditures in information technology and cybersecurity and an increase in professional service fees.

The Corporation's Adjusted EBITDA margins increased over the prior period. This increase in Adjusted EBITDA margin is attributed to a change in product mix, with significant increases in higher Adjusted EBITDA margin aircraft and engine leases and mat rentals, as well as improved overall operating performance across business lines.

Aerospace & Aviation Segment

Revenue generated by the Aerospace & Aviation segment increased by $39 million or 6% to $720 million.

Revenue within Essential Air Services increased over the prior period. The increase is attributed to two factors. First, increases in scheduled service, cargo and charter volumes along with improved yields contributed to the revenue increase over the prior period. Second, during the prior period, forest fires negatively impacted results for medevac services since several of the Northern communities we serve were temporarily displaced. The current period experienced no such displacement which resulted in increased medevac volumes over the prior period. Revenue also increased over the prior period due to fuel price surcharges and flow-throughs as a result of rapidly increasing fuel prices and aviation inflation adjustments in certain major aviation contracts, both which serve to protect Adjusted EBITDA margins.

Revenue within Aircraft Sales & Leasing decreased from the prior period, attributed to lower large asset sales volumes. Large asset sales, which are generally higher dollar transactions with a lower Adjusted EBITDA margin, can fluctuate quarter to quarter. Partially offsetting the decrease was an increase in parts demand and a significant increase in leasing activity over the prior period. Mach2 was acquired January 31, 2026 with no comparative revenue in the prior period, which also partially offset the decrease.

Revenue within Aerospace increased over the prior period. Higher tempo ISR flying on owned ISR aircraft contributed to the increase, including the addition of the second UK Home Office aircraft which entered service in the fourth quarter of 2025 and for which there is no

comparative revenue in the prior period. These increases were partially offset by revenue decreases driven by delays in various training programs.

Adjusted EBITDA generated by the Aerospace & Aviation segment increased by $41 million or 20% to $243 million.

Adjusted EBITDA within Essential Air Services increased over the prior period. Scheduled service, charter, cargo, rotary wing and medevac operations all contributed to the Adjusted EBITDA increase consistent with the revenue drivers discussed above.

Adjusted EBITDA within Aircraft Sales & Leasing increased over the prior period, primarily attributed to a significant increase in leasing activity during the period, including higher than normal end of lease utilization adjustments. The increase in leasing activity was driven by investments in prior periods and an increase in the overall utilization of the lease portfolio. Margins within this revenue stream are higher than other revenue streams since the capital cost associated with leasing is represented through depreciation, having an outsized impact on Adjusted EBITDA compared to revenue. An increase in parts demand further contributed to the increase in Adjusted EBITDA over the prior period. Finally, Mach2 was acquired January 31, 2026 with no comparative Adjusted EBITDA in the prior period which also contributed to the increase. The Adjusted EBITDA contribution from Mach2 has exceeded expectations during the period. The increase in leasing activity resulted in significantly higher Adjusted EBITDA margins overall for the business line compared to the prior period.

Adjusted EBITDA within Aerospace increased over the prior period. The increase is attributable to the increase in revenue discussed above.

Manufacturing Segment

The Manufacturing segment revenue increased by $59 million or 21% over the prior period to $338 million.

Revenue within the Environmental Access Solutions business line increased over the prior period. The Corporation continued to experience significant demand for composite matting solutions within the US market during the period. Within the Canadian market, increased demand for mat rentals, and by extension, ancillary services, along with increased demand for new and used mats contributed to the revenue increase over the prior period. The increase in demand was driven by increased activity within the oil and gas sector, including pipeline construction and integrity digs which increased the need for matting solutions. In contrast, the prior period had experienced softer demand for rental mats and ancillary services due to drought conditions, forest fire activity, project delays and lower pipeline maintenance projects than usual, which reduced the need for matting solutions or prevented crews from accessing worksites.

Revenue within Multi-Storey Window Solutions decreased from the prior period, in line with our expectations, driven by reduced volumes as a result of macroeconomic pressures and project delays. Customer deferrals of certain projects created production gaps in the current period. The current period continued to experience momentum within the orderbook, despite a highly competitive market. However, the long lead time between order and build means more recent positive developments have not yet begun to impact our financial results. Revenue is typically recorded 18-24 months after additions to our orderbook.

Revenue within Precision Manufacturing & Engineering increased over the prior period. The increase is driven by several core customers across multiple subsidiaries which experienced volume increases during the period as business sentiment improved within the marketplace. Specifically, volume increases on several wireless and wireline construction projects, increased demand from defense, aerospace and space-related customers, and increases in stainless steel tank volumes in response to data center demand contributed to the revenue increase over the prior period.

Adjusted EBITDA in the Manufacturing segment increased by $17 million or 39% over the prior period to $62 million.

Adjusted EBITDA within Environmental Access Solutions increased over the prior period. The increase is primarily driven by demand increases experienced in the Canadian market discussed earlier. In particular, the increased demand for rental mats, and by extension ancillary services, had an outsized impact on the Adjusted EBITDA increase as these products carry a higher Adjusted EBITDA margin compared to mat sales. Composite matting demand in the US market also contributed to the Adjusted EBITDA increase over the prior period.

Adjusted EBITDA within Multi-Storey Window Solutions increased over the prior period, attributed to production efficiencies, however these were partially offset by two factors. The Corporation continues to manage the impact of US tariffs on aluminium, however making changes within its supply chain, where possible, will occur over a longer period of time. Second, the project delays discussed above continue to negatively impact results in this business line. As previously communicated, the Corporation's backlog remains strong, however, the long lead time between order and build means the impact to Adjusted EBITDA has not yet been realized.

Adjusted EBITDA within Precision Manufacturing & Engineering increased over the prior period. The increase is attributed to a change in product mix between entities as well as the volume increases across other subsidiaries discussed above.

NET EARNINGS

Three Months Ended September 30,		2026		2025
Net Earnings	**$**	**95,626**	$	68,737
Net Earnings per share	**$**	**1.70**	$	1.32

Net Earnings were $96 million, an increase of $27 million or 39% over the prior period. The Corporation generated higher Adjusted EBITDA compared to the prior period as discussed above, contributing to the increase in Net Earnings. Offsetting the higher Adjusted EBITDA were increases in depreciation, depreciation on right of use assets, and interest expense on right of use liabilities. Depreciation on right of use assets and interest expense on right of use liabilities increased by $5 million over the prior period, while depreciation on capital assets increased $13 million compared to the prior period. Investments in Growth Capital Expenditures in previous periods have resulted in higher depreciation on capital assets in the current period, which was anticipated when these investments were made.

Income tax expense increased over the prior period and the Corporation's effective rate increased to 27% from 25%. The increase in tax expense corresponds with the increase in pre-tax earnings during the period, while the increase in the Corporation's effective tax rate is attributed to a higher proportion of earnings in higher tax jurisdictions compared to the prior period.

Net Earnings per share increased by 29% over the prior period to $1.70. The weighted average number of shares increased by 8% which partially offset the increase in Net Earnings. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Further details around the change in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

ADJUSTED NET EARNINGS *(Section 12 – Non-IFRS Financial Measures and Glossary)*

Three Months Ended September 30,		2026		2025
Net Earnings	**$**	**95,626**	$	68,737
Acquisition costs (net of tax $49 and $90)		**2,044**		2,229
Amortization of intangible assets (net of tax $1,612 and $1,612)		**4,470**		4,472
Interest accretion on acquisition contingent consideration (net of tax $14 and $14)		**42**		38
Accelerated interest accretion on redeemed debentures (net of tax $nil and $74)		**-**		198
Adjusted Net Earnings	**$**	**102,182**	$	75,674
per share – Basic	**$**	**1.81**	$	1.46
per share – Diluted	**$**	**1.78**	$	1.36

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

Adjusted Net Earnings was $102 million, an increase of $27 million or 35% over the prior period. Adjusted Net Earnings includes the add-back of acquisition-related costs, which are comprised of $4 million in intangible asset amortization, $1 million in acquisition costs, and interest accretion on acquisition contingent consideration of less than $1 million, all net of tax. Details around the calculation of Adjusted Net Earnings can be found in *Section 12 – Non-IFRS Financial Measures and Glossary*.

Adjusted Net Earnings per share increased 24% over the prior period to $1.81. The weighted average number of shares increased by 8%, which partially offset the impact of the increase in Adjusted Net Earnings. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Further details around the change in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

FREE CASH FLOW (*Section 12 – Non-IFRS Financial Measures and Glossary)*

FREE CASH FLOW Three Months Ended September 30,		2026		2025
Cash flows from operations	**$**	**237,711**	$	185,418
Change in non-cash working capital		**(4,762)**		(2,538)
Acquisition costs (net of tax $49 and $90)		**2,044**		2,229
Principal payments on right of use lease liabilities		**(15,669)**		(13,668)
	$	**219,324**	$	171,441
per share – Basic	**$**	**3.89**	$	3.30
per share – Diluted	**$**	**3.81**	$	3.04

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

The Free Cash Flow generated by the Corporation during the period was $219 million, an increase of $48 million or 28% over the prior period. The increase is attributable to the increase in Adjusted EBITDA, partially offset by an increase in principal payments on right of use liabilities, and current taxes. Free Cash Flow is discussed further in *Section 12 – Non-IFRS Financial Measures and Glossary*.

Free Cash Flow on a basic per share basis increased 18% over the prior period to $3.89. The weighted average number of shares increased by 8%, which partially offset the impact of the increase in Free Cash Flow. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Further details of the increase in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

Changes in non-cash working capital are included in cash flow from operations per the Statement of Cash Flow and are removed in the reconciliation to Free Cash Flow. As a result, these changes have no impact on the calculation of Free Cash Flow. A detailed discussion of changes in working capital is included in *Section 3 – Investing Activities*.

Nine Month Results

The following section analyzes the financial results of the Corporation for the nine months ended September 30, 2026, and the comparative 2025 period.

	Nine months ended September 30, 2026			
	Aerospace & Aviation	Manufacturing	Head Office [2]	Consolidated
Revenue	$ 1,977,246	$ 898,944	$ -	$ 2,876,190
Expenses [1]	1,395,419	747,035	53,717	2,196,171
Adjusted EBITDA	581,827	151,909	(53,717)	680,019
Depreciation of capital assets				271,585
Amortization of intangible assets				18,551
Finance costs – interest				88,351
Depreciation of right of use assets				48,153
Interest expense on right of use liabilities				8,795
Acquisition costs				6,983
Other (Note 5)				(8,581)
Earnings before taxes				246,182
Current income tax expense				37,904
Deferred income tax expense				27,835
Net Earnings				$ 180,443
Net Earnings per share (basic)				$ 3.20
Adjusted Net Earnings				$ 199,957
Adjusted Net Earnings per share (basic)				$ 3.55

	Nine months ended September 30, 2025			
	Aerospace & Aviation	Manufacturing	Head Office [2]	Consolidated
Revenue	$ 1,517,424	$ 830,524	$ -	$ 2,347,948
Expenses [1]	1,066,232	701,024	42,751	1,810,007
Adjusted EBITDA	451,192	129,500	(42,751)	537,941
Depreciation of capital assets				222,061
Amortization of intangible assets				18,344
Finance costs – interest				91,617
Depreciation of right of use assets				34,074
Interest expense on right of use lease liabilities				6,963
Acquisition costs				7,723
Earnings before taxes				157,159
Current income tax expense				30,972
Deferred income tax expense				10,233
Net Earnings				$ 115,954
Net Earnings per share (basic)				$ 2.26
Adjusted Net Earnings				$ 137,125
Adjusted Net Earnings per share (basic)				$ 2.67

Note 1) Expenses include aerospace & aviation expenses (excluding depreciation and amortization), manufacturing expenses (excluding depreciation and amortization), and general and administrative expenses.

Note 2) Head Office is not a separate reportable segment. It includes expenses incurred at the head office of the Corporation and is presented for reconciliation purposes.

REVENUE AND ADJUSTED EBITDA *(Section 12 – Non-IFRS Financial Measures and Glossary)*

On a consolidated basis, the Corporation generated revenue of $2,876 million, an increase of $528 million, or 22% over the prior period. The increase was driven by both of the Corporation's segments, with the Aerospace & Aviation segment increasing by $460 million, or 30% over the prior period and the Manufacturing segment increasing by $68 million, or 8% over the prior period.

Adjusted EBITDA of $680 million was generated by the Corporation during the period, an increase of $142 million or 26% over the prior period. The increase was driven by both segments with the Aerospace & Aviation segment increasing $131 million, or 29% and the Manufacturing segment increasing $22 million, or 17% over the prior period. These increases were partially offset by an increase in Head Office costs which is attributed to increased performance-based compensation expense, and expenditures in information technology and cybersecurity.

Aerospace & Aviation Segment

Revenue generated by the Aerospace & Aviation segment increased by $460 million or 30% to $1,977 million.

Revenue within Essential Air Services increased over the prior period. The increase is attributable to several factors. Newfoundland Helicopters was acquired on May 12, 2025 and Canadian North was acquired on July 1, 2025, for which there was only a partial comparative in the prior period. Included in the increase attributed to Canadian North are significant charter revenues that also contributed to the period over period increase. The remaining reasons for the increase in revenue described in the three month section above also contributed to the increase in revenue for the nine month period. Revenue also increased over the prior period due to fuel price surcharges and flow-throughs as a result of rapidly increasing fuel prices and aviation inflation adjustments in certain major aviation contracts, both which serve to protect Adjusted EBITDA margins.

Revenue within Aircraft Sales & Leasing increased over the prior period. Mach2 was acquired January 31, 2026 with no comparative in the prior period. In addition, leasing activity continued to improve significantly during the period, and an increase in parts demand contributed to the revenue increase over the prior period. Large asset sales, which are generally higher dollar transactions at a lower margin and can fluctuate period to period, experienced a decrease from the prior period, partially offsetting the revenue increases attributed to increased parts and leasing demand. These large asset sales are lumpy and reflect the monetization of certain investments made over the last several quarters.

Revenue within Aerospace increased over the prior period. The increase is attributed to higher tempo ISR flying on owned ISR aircraft, including the addition of the second UK Home Office aircraft which entered service in the fourth quarter of 2025 and for which there is no comparative in the prior period. These increases were partially offset by revenue decreases driven by delays in various training programs.

Adjusted EBITDA generated by the Aerospace & Aviation segment increased $131 million or 29% to $582 million for the period.

Adjusted EBITDA within Essential Air Services increased over the prior period. The current period includes a partial comparative contribution from Newfoundland Helicopters which was acquired on May 12, 2025, and from Canadian North which was acquired on July 1, 2025. Included in the increase attributed to Canadian North are charter revenues which contributed to the Adjusted EBITDA increase over the prior period, however the Adjusted EBITDA margins from this business line are below the Adjusted EBITDA margins generated by our passenger and cargo operations within this business line. The increases in revenue discussed above further contributed to the increase in Adjusted EBITDA.

Adjusted EBITDA within Aircraft Sales & Leasing increased over the prior period. Mach2 was acquired on January 31, 2026 with no comparative in the prior period. The increase in parts demand and leasing activity discussed above contributed to the increase in Adjusted EBITDA during the period, including higher than normal end of lease utilization adjustments. The increase in leasing activity has been driven by investments made in prior periods and an increase in the overall utilization of the lease portfolio. Margins within this revenue stream are higher than other revenue streams as the capital cost associated with leasing is represented through depreciation, having an outsized impact on Adjusted EBITDA compared to revenue. Large asset sales, which are typically higher dollar transactions with a lower Adjusted EBITDA margin also contributed to the Adjusted EBITDA increase over the prior period. While on an absolute basis these sales increased Adjusted EBITDA over the prior period, large asset sales generate lower Adjusted EBITDA margins than average for this business line. The increase in leasing activity, along with improved Adjusted EBITDA margins on large asset sales, resulted in significantly higher Adjusted EBITDA margins overall for the business line compared to the prior period.

Adjusted EBITDA within Aerospace increased over the prior period. The increase is attributable to the higher tempo ISR flying on owned ISR aircraft discussed above, including the addition of the second UK Home Office aircraft for which there is no comparative in the prior period.

Manufacturing Segment

The Manufacturing segment revenue increased by $68 million or 8% over the prior period to $899 million.

Revenue generated within Environmental Access Solutions increased over the prior period. The Corporation continues to experience significant demand for composite matting solutions within the US market. Within the Canadian market, increased demand for mat rentals, and by extension, ancillary services, along with increased demand for new and used mats contributed to the revenue increase over the prior period. The increase in demand was driven by increased activity within the oil and gas sector, including pipeline construction and integrity digs as well as wet conditions in certain geographies earlier in the year which increased the need for matting solutions. In contrast, the prior period had experienced softer demand for rental mats and ancillary services due to drought conditions, forest fire activity, project delays and lower pipeline maintenance projects than usual, which reduced the need for matting solutions or prevented crews from accessing worksites.

Revenue generated within Multi-Storey Window Solutions decreased from the prior period, in line with expectations, driven by reduced volumes as a result of macroeconomic pressures and project delays resulting in customer deferrals and production gaps in the current period. In addition, lower project bookings in previous periods reduced revenue in the current period as the lead time between order and build generally take between 18 and 24 months, and therefore, the more recent positive developments on our orderbook, despite a highly competitive market, have not yet begun to impact our financial results.

Revenue generated within Precision Manufacturing & Engineering increased over the prior period. The increase is driven primarily by an increase in demand for hydronic heating solutions, increases in stainless steel tank volumes in response to data center demand, volume increases across defense, aerospace and space-related customers, and volume increases in wireless and wireline construction projects.

The Manufacturing segment Adjusted EBITDA increased by $22 million or 17% from the prior period to $152 million.

Adjusted EBITDA within Environmental Access Solutions increased over the prior period. Demand increases experienced in the Canadian market discussed earlier drove the Adjusted EBITDA increase. In particular, the increased demand for rental mats, and by extension ancillary services, had an outsized impact on the Adjusted EBITDA increase as these products carry a higher Adjusted EBITDA margin compared to mat sales. The US market continues to experience significant composite matting demand which further contributed to the Adjusted EBITDA increase over the prior period.

Adjusted EBITDA within Multi-Storey Window Solutions decreased from the prior period. The decrease is attributed to two factors. First, expanded US tariffs on aluminium announced late in the second quarter of the previous year continue to negatively impact Adjusted EBITDA during the period. While the Corporation has taken steps to mitigate the impact of tariffs, making changes within its supply chain, where possible, will occur over a longer period of time. Second, the project delays discussed above contributed to the Adjusted EBITDA decrease from the prior period. As previously communicated, the Corporation's backlog remains strong, however the long lead time between order and build means the impact to Adjusted EBITDA has not yet been realized.

Adjusted EBITDA within the Precision Manufacturing & Engineering increased over the prior period. The increase is attributed to a change in product mix between entities, as well as the volume increases discussed above.

NET EARNINGS

Nine months ended September 30,		**2026**		2025
Net Earnings	**$**	**180,443**	$	115,954
Net Earnings per share	**$**	**3.20**	$	2.26

Net Earnings were $180 million, an increase of $64 million, or 56% over the prior period. This increase is attributed to several factors. First, the Corporation generated higher Adjusted EBITDA compared to the prior period as discussed above, which contributed to the increase in Net Earnings. Second, the Corporation recorded a gain of $9 million due to the revaluation of contingent consideration. Further details on the revaluation of contingent consideration are provided in *Section 8 – Critical Accounting Estimates and Judgements*. Third, interest expense decreased by $3 million from the prior period primarily due to the early redemption of the Corporation's convertible debentures which was completed in 2025. Finally, acquisition costs decreased by $1 million from the prior period.

These increases to Net Earnings were partially offset by the following factors. First, depreciation of capital assets increased by $50 million over the prior period. The increase is attributed to two factors. The acquisition of Canadian North on July 1, 2025 added additional depreciation of capital assets for which there was only a partial comparative in the prior period, however this increase was expected given the extensive capital assets acquired. In addition, investments in Growth Capital Expenditures in previous periods have resulted in higher depreciation of capital assets in the current period, as expected when these investments were made. Second, depreciation on right of use assets and interest expense on right of use liabilities increased by $16 million over the prior period. This increase is attributed to the acquisition of Canadian North on July 1, 2025 for which there is only a partial comparative in the prior period.

Income tax expense increased over the prior period and the Corporation's effective tax rate increased to 27% from 26%. The effective tax rate increased as the reduction to the effective tax rate resulting from the gain on remeasurement of contingent consideration that occurred during the period, which is not subject to tax, was more than offset by an increase in the effective tax rate resulting from a higher proportion of earnings in higher tax jurisdictions compared to the prior period. The increase in tax expense corresponds with the increase in pre-tax earnings during the period.

Net Earnings per share increased by 42% over the prior period to $3.20. The weighted average number of shares increased by 10%, which partially offset the increase in Net Earnings. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Details around the change in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

ADJUSTED NET EARNINGS *(Section 12 – Non-IFRS Financial Measures and Glossary)*

Nine months ended September 30,		**2026**		2025
Net Earnings	**$**	**180,443**	$	115,954
Acquisition costs (net of tax $1,297 and $431)		**5,686**		7,292
Amortization of intangible assets (net of tax $4,916 and $4,861)		**13,635**		13,483
Interest accretion on acquisition contingent consideration (net of tax of $67 and $39)		**193**		108
Accelerated interest accretion on redeemed debentures (net of tax of $nil and $107)		**-**		288
Adjusted Net Earnings	**$**	**199,957**	$	137,125
per share – Basic	**$**	**3.55**	$	2.67
per share – Diluted	**$**	**3.48**	$	2.56

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

Adjusted Net Earnings was $200 million, an increase of $63 million or 46% from the prior period. Adjusted Net Earnings includes the add-back of acquisition-related costs, which are comprised of $14 million in intangible asset amortization and $5 million in acquisition costs, and

interest accretion on acquisition contingent consideration of less than $1 million, all net of tax. Details around the calculation of Adjusted Net Earnings can be found in *Section 12 – Non-IFRS Financial Measures and Glossary*.

Adjusted Net Earnings per share increased by 33% to $3.55 over the prior period. The weighted average number of shares increased by 10%, which partially offset the increase in Adjusted Net Earnings. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Details around the change in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

FREE CASH FLOW *(Section 12 – Non-IFRS Financial Measures and Glossary)*

FREE CASH FLOW Nine months ended September 30,		**2026**		2025
Cash flows from operations	**$**	**486,498**	$	367,548
Change in non-cash working capital items		**54,412**		37,035
Acquisition costs (net of tax $1,297 and $431)		**5,686**		7,292
Principal payments on right of use lease liabilities		**(46,280)**		(35,526)
	$	**500,316**	$	376,349
per share – Basic	**$**	**8.88**	$	7.33
per share – Diluted	**$**	**8.71**	$	6.76

Note 1) The tax deductibility of Acquisition Costs is dependent on the nature of the expense and the jurisdiction in which they are incurred.

The Free Cash Flow generated by the Corporation during the period was $500 million, an increase of $124 million, or 33% over the prior period. The increase is attributable to the increase in Adjusted EBITDA, along with a decrease in interest, partially offset by an increase in principal payments on right of use liabilities and current taxes. Free Cash Flow is discussed further in *Section 12 – Non-IFRS Financial Measures and Glossary*.

Free Cash Flow on a basic per share basis increased 21% from the prior period to $8.88. The weighted average number of shares increased by 10%, which reduced Free Cash Flow per share. The increase in the weighted average number of shares was primarily attributed to the conversion of debentures throughout 2025, which increased the number of shares outstanding. Details of the increase in shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

Changes in non-cash working capital are included in cash flow from operations per the Statement of Cash Flow and are removed in the reconciliation to Free Cash Flow. As a result, these changes have no impact on the calculation of Free Cash Flow. A detailed discussion of changes in working capital is included in *Section 3 – Investing Activities*.

3. INVESTING ACTIVITIES

Investment through the acquisition of new businesses, the purchase of capital assets, and investment in working capital to maintain and grow our existing portfolio of subsidiaries is a primary objective of the Corporation.

ACQUISITIONS

MnM Aircraft Component Holdings Inc. ("Mach2")

On January 31, 2026, the Corporation acquired Mach2. Located in Pompano Beach Florida, Mach2 participates in the commercial segment of the global used aircraft serviceable material market. The acquisition materially accelerates Regional One's presence in the commercial aviation aftermarket by providing Regional One with the necessary commercial expertise, asset knowledge and inventory to jumpstart expansion into this segment of the aircraft parts market.

The components of the consideration paid to acquire Mach2 are outlined in the table below.

Consideration given:		
Cash	**$**	**45,606**
Issuance of 121,147 shares of the Corporation at $96.27 per share		**11,663**
Working capital settlement		**(1,117)**
Total purchase consideration	**$**	**56,152**

CAPITAL EXPENDITURES

	Three Months ended September 30, 2026			
CAPITAL EXPENDITURES	**Aerospace & Aviation**	**Manufacturing**	**Head Office**	**Total**
Maintenance Capital Expenditures	**$ 94,881**	**$ 8,349**	**$ 1,029**	**$ 104,259**
Growth Capital Expenditures	**71,884**	**18,908**	**-**	**90,792**
	$ 166,765	**$ 27,257**	**$ 1,029**	**$ 195,051**

	Three Months Ended September 30, 2025			
CAPITAL EXPENDITURES	Aerospace & Aviation	Manufacturing	Head Office	Total
Maintenance Capital Expenditures	$ 73,751	$ 9,308	$ 219	$ 83,278
Growth Capital Expenditures	126,121	1,631	-	127,752
	$ 199,872	$ 10,939	$ 219	$ 211,030

	Nine months ended September 30, 2026			
CAPITAL EXPENDITURES	**Aerospace & Aviation**	**Manufacturing**	**Head Office**	**Total**
Maintenance Capital Expenditures	**$ 242,939**	**$ 24,667**	**$ 2,228**	**$ 269,834**
Growth Capital Expenditures	**184,215**	**26,242**	**-**	**210,457**
	$ 427,154	**$ 50,909**	**$ 2,228**	**$ 480,291**

	Nine months ended September 30, 2025			
CAPITAL EXPENDITURES	Aerospace & Aviation	Manufacturing	Head Office	Total
Maintenance Capital Expenditures	$ 181,038	$ 23,616	$ 545	$ 205,199
Growth Capital Expenditures	190,263	(1,850)	-	188,413
	$ 371,301	$ 21,766	$ 545	$ 393,612

Maintenance Capital Expenditures for the nine month period ended September 30, 2026, increased by $67 million or 33% over the prior period. Maintenance Capital Expenditures for the Aerospace & Aviation segment for the nine month period ended September 30, 2026 increased by $65 million over the prior period. The acquisition of Canadian North, for which there is only a partial comparative in the prior period, contributed to the increase in Maintenance Capital Expenditures, and was expected when the Corporation made the acquisition. Across the Aerospace & Aviation segment, our businesses continue to experience higher than normal inflation, for the cost of parts, overhauls and engines. These increases have been materially higher than the rate of overall inflation and are recovered over time in our pricing to customers, and through aviation inflation adjustments in certain major contracts. In addition, increased utilization of assets to drive the increased levels of operating performance increases Maintenance Capital Expenditures. Finally, an increase in assets on lease, and increased asset utilization in Aircraft Sales & Leasing, which drives Maintenance Capital Expenditures in this business line, also contributed to the increase over the prior period.

Maintenance Capital Expenditures for the Corporation's Essential Air Services have historically been weighted more towards the first half of the year as heavy checks, overhauls, and engine maintenance events are scheduled at a time when demand is lowest. However, due to maintenance, repair and operations ("MRO") availability, such seasonality may vary year to year and were lower than our internal expectations in the first nine months of 2026. With a larger fleet, we are more easily able to manage aircraft across our organization if maintenance events occur during an operationally busier time of year. As the size of our fleet has increased, maintenance schedules have become more equally distributed throughout the entire year than we would have experienced historically.

Maintenance Capital Expenditures for the Manufacturing segment for the nine month period ended September 30, 2026 increased by $1 million over the prior period. Maintenance Capital Expenditures for the Manufacturing segment can vary from period to period due to the capital required to maintain production equipment, with the exception of Maintenance Capital Expenditures for the Environmental Access Solutions rental portfolio, which is calculated using depreciation as a proxy. Further discussion of future Maintenance Capital Expenditures is included in *Section 5 – Outlook*.

Aerospace & Aviation Segment

Maintenance Capital Expenditures for Essential Air Services for the three months and nine months ended September 30, 2026 increased over the prior period. The increase for the three month period is primarily attributed to an increase in the per event cost due to inflationary pressures and labour costs. Further, as the Corporation has invested to meet increased demand over the last number of years, our fleet size has increased, necessitating additional Maintenance Capital Expenditures. The increase for the nine month period is attributed to both factors

discussed above as well as the acquisition of Canadian North on July 1, 2025 for which there is only a partial comparative in the prior period. Growth Capital Expenditures for Essential Air Services for the three and nine months ended September 30, 2026 were $16 million and $105 million respectively. This includes the continued investment in aircraft, aircraft modifications, and infrastructure for the BCEHS and Newfoundland air ambulance contracts, investments made for the construction of the Ottawa hangar for Canadian North, as well as investments in our fixed wing and rotary fleet, including investments in fixed wing aircraft for the Air Canada commercial agreement.

Maintenance Capital Expenditures for Aerospace for the three months ended September 30, 2026 was consistent with the prior period, while Maintenance Capital Expenditures for the nine months ended September 30, 2026 decreased from the prior period. Period over period changes are due to the timing of events and period to period variability is expected. Growth Capital Expenditures for Aerospace for the three and nine months ended September 30, 2026 were $5 million and $11 million respectively. This includes investments in ISR aircraft modifications and radar equipment.

Maintenance Capital Expenditures for Aircraft Sales & Leasing for the three and nine months ended September 30, 2026 increased over the prior period. The increase is attributed to the increase in assets on lease, which drives Maintenance Capital Expenditures within this business line. Growth Capital Expenditures for Aircraft Sales & Leasing for the three and nine months ended September 30, 2026 were $51 million and $68 million respectively. Growth Capital Expenditures reflect additions to the portfolio of larger gauge aircraft and engines in excess of those disposed of, which significantly increases the earnings power of the portfolio. Several assets were purchased during the period that have either been placed on lease or will be placed on lease in the coming quarters.

Aircraft Sales & Leasing Lease Portfolio	**September 30, 2026**		December 31, 2025	
	Aircraft	**Engines**	Aircraft	Engines
Lease portfolio	**66** [1]	**149**	70 [1]	139

Note 1) The aircraft total above includes 29 airframes that are on lease or leasable with engines that belong to the customer (December 31, 2025 – 27 airframes) including 8 (December 31, 2025 – 8 airframes) that are on lease in conjunction with engines owned by Aero Engines LLC, the joint venture between the Corporation and SkyWest.

The lease portfolio for Aircraft Sales & Leasing is comprised of several different types of aircraft and engines. The predominant platforms are the Bombardier CRJ aircraft, Embraer ERJ aircraft and the Dash – 8 Q400 aircraft. The predominant engine platforms are the General Electric CF 34 engine series along with the Pratt & Whitney engines. Earnings on the leasing of aircraft and engines are not derived from a financing spread as in the traditional leasing business but rather cash flows are generated from acquiring assets, leasing them out, and once the available green time on the assets is consumed and the aircraft have been retired from the active fleet, the assets are sold or parted out to generate further cash flows. It is important to note that not all the aircraft and engines in the portfolio will be on lease at any given time.

Maintenance Capital Expenditures within the Corporation's Aircraft Sales & Leasing business line reflects a charge based on the utilization of the assets within the aircraft and engine lease portfolio. The Maintenance Capital Expenditures represent the expected future capital expenditures required to maintain the cash flow of the lease portfolio at current levels as a result of current period utilization of those aircraft by lessees.

Growth Capital Expenditures within Aircraft Sales & Leasing represent the difference between net capital assets acquired (assets purchased less assets sold or transferred to inventory) and the amount of Maintenance Capital Expenditures, as defined above. Because the timing between the removal of assets from the lease portfolio and the replacement of those assets can vary from quarter to quarter, it is possible that negative Growth Capital Expenditures may arise in a particular quarter. However, it is not expected that negative Growth Capital Expenditures would consistently occur over a longer period as it is the Corporation's intention to continue to maintain or grow the lease portfolio.

Manufacturing Segment

Maintenance Capital Expenditures in the Precision Manufacturing & Engineering and Multi-Storey Window Solutions business lines primarily relate to the replacement of production equipment, or components of equipment, and can vary significantly from year to year. Certain manufacturing assets have long useful lives and, therefore, can last for many years before requiring replacement or significant repair. Maintenance Capital Expenditures for Environmental Access Solutions primarily relate to the depreciation on mats and bridges, as well as maintenance on or replacement of equipment which, similar to Precision Manufacturing & Engineering and Multi-Storey Window Solutions, can vary based on what assets require repair or replacement.

Maintenance Capital Expenditures for Environmental Access Solutions for the three and nine months ended September 30, 2026 decreased from the prior period. This decrease is driven primarily by the timing of the replacement of rolling stock. Growth Capital Expenditures for this business line for the three and nine months ended September 30, 2026 were $11 million and $17 million respectively. The increase across

both the three month and nine month periods is attributed to equipment purchases for the new composite matting facility in anticipation of future growth, along with investments by the Canadian operations in its rental fleet.

Maintenance Capital Expenditures and Growth Capital Expenditures for Multi-Storey Window Solutions for both the three and nine months ended September 30, 2026 were not material.

Maintenance Capital Expenditures for Precision Manufacturing & Engineering for the three months ended September 30, 2026 was consistent with the prior period, while Maintenance Capital Expenditures for the nine months ended September 30, 2026 increased over the prior period. The increase is attributed to investments made to sustain the higher run rates experienced during the period. Growth Capital Expenditures for this business line for the three and nine months ended September 30, 2026 were $3 million and $4 million respectively and are attributed to equipment purchases to support future growth and tariff mitigation strategies.

INVESTMENT IN WORKING CAPITAL

During the nine month period ended September 30, 2026, the Corporation invested $54 million in working capital to support several growth initiatives and increased revenues, as discussed further below.

During the period, the Corporation invested approximately $107 million in the Aircraft Sales & Leasing business line to drive future growth. This investment was made through approximately $79 million invested in additional inventory to drive increased future parts sales. The increase in inventory will support future parts sales, but due to the shortage of available MRO shop time around the world, we expect there may be delays in completing the tear down of these assets into their component parts for resale. In addition, there are several whole aircraft and engines in inventory that are expected to be monetized in the coming quarters. The remainder of the investment in the Aircraft Sales & Leasing business line was in deposits for assets that will be purchased in future quarters that will either be sold or added to the lease fleet.

The Corporation continues to focus on its working capital management, with the investments in Aircraft Sales & Leasing partially offset by a reduction in working capital through working capital management across all lines of business. It is expected that the Corporation will experience its typical seasonal drawdown in the fourth quarter.

Further details of the investment in working capital are included in Note 16 and the Statement of Cash Flows in the Corporation's interim condensed consolidated financial statements.

4. DIVIDENDS AND PAYOUT RATIOS

The payment of stable and growing dividends to shareholders is a cornerstone goal of the Corporation which is achieved through the consistent execution of our core strategy of diversification, disciplined investment in our subsidiaries, and disciplined acquisition of companies with defensible and steady cash flows.

Dividends

Month	Record date	Per Share	2026 Dividends Amount	Record date	Per Share	2025 Dividends Amount
January	January 30, 2026	$ 0.23	$ 12,915	January 31, 2025	$ 0.22	$ 10,983
February	February 27, 2026	0.23	12,947	February 28, 2025	0.22	11,276
March	March 31, 2026	0.23	12,954	March 31, 2025	0.22	11,291
April	April 30, 2026	0.23	12,958	April 30, 2025	0.22	11,299
May	May 29, 2026	0.23	12,962	May 30, 2025	0.22	11,312
June	June 30, 2026	0.23	12,969	June 30, 2025	0.22	11,322
July	July 31, 2026	0.23	12,971	July 31, 2025	0.22	11,349
August	August 31, 2026	0.24	13,538	August 29, 2025	0.22	11,407
September	September 29, 2026	0.24	13,544	September 29, 2025	0.22	11,943
Total		**$ 2.09**	**$ 117,758**		$ 1.98	$ 102,182

Dividends declared for the nine months ended September 30, 2026, increased over the prior period. The increase is attributed to an increase in shares outstanding compared to the prior period, and the increase in the dividend per share during the current period and the fourth quarter of 2025. The issuance of shares as part of the conversion of convertible debentures throughout 2025 increased the number of shares outstanding. In addition, the shares issued for the acquisition of Newfoundland Helicopters in the second quarter of 2025, Canadian North in the third quarter of 2025, and Mach2 in the first quarter of 2026 further contributed to the increase in shares outstanding over the prior period. Further information on shares outstanding can be found in *Section 6 – Liquidity and Capital Resources*.

The Corporation uses both an earnings-based payout ratio (Adjusted Net Earnings) and a cash flow-based payout ratio (Free Cash Flow less Maintenance Capital Expenditures) to assess its ability to pay dividends to shareholders. Both methods of calculating the payout ratio

provide an indication of the Corporation's ability to generate enough funds from its operations to pay dividends. See *Section 12 – Non-IFRS Financial Measures and Glossary* for more information on Non-IFRS measures.

Adjusted Net Earnings exclude acquisition costs, amortization of intangible assets, and unusual one-time items. Amortization of intangible assets results from intangible assets that are recorded when the Corporation completes an acquisition as part of the purchase price allocation for accounting purposes. There are no future capital expenditures associated with maintaining or replacing these intangible assets, therefore intangible asset amortization is not considered when assessing the ability to pay dividends. Acquisition costs are not required to maintain existing cash flows and therefore these costs are not considered in assessing the payment of dividends and include acquisition costs and pre-revenue ramp-up costs for significant expansions. Adjusted Net Earnings includes depreciation on all capital expenditures and is not impacted by the period to period variability in Maintenance Capital Expenditures.

Free Cash Flow less Maintenance Capital Expenditures is a measure that ensures the resulting payout ratio reflects the replacement of capital assets that is necessary to maintain the Corporation's existing revenue streams. Cash outflows associated with acquisitions and capital expenditures that will result in growth are not included in this payout ratio because they will generate future returns in excess of current cash flows.

The Corporation analyzes its payout ratios on a trailing twelve-month basis when assessing its ability to pay and increase dividends. The use of a longer period eliminates the impact of seasonality on the analysis as seasonality exists across a large portion of our operations. Seasonality is discussed further in *Section 5 – Outlook*.

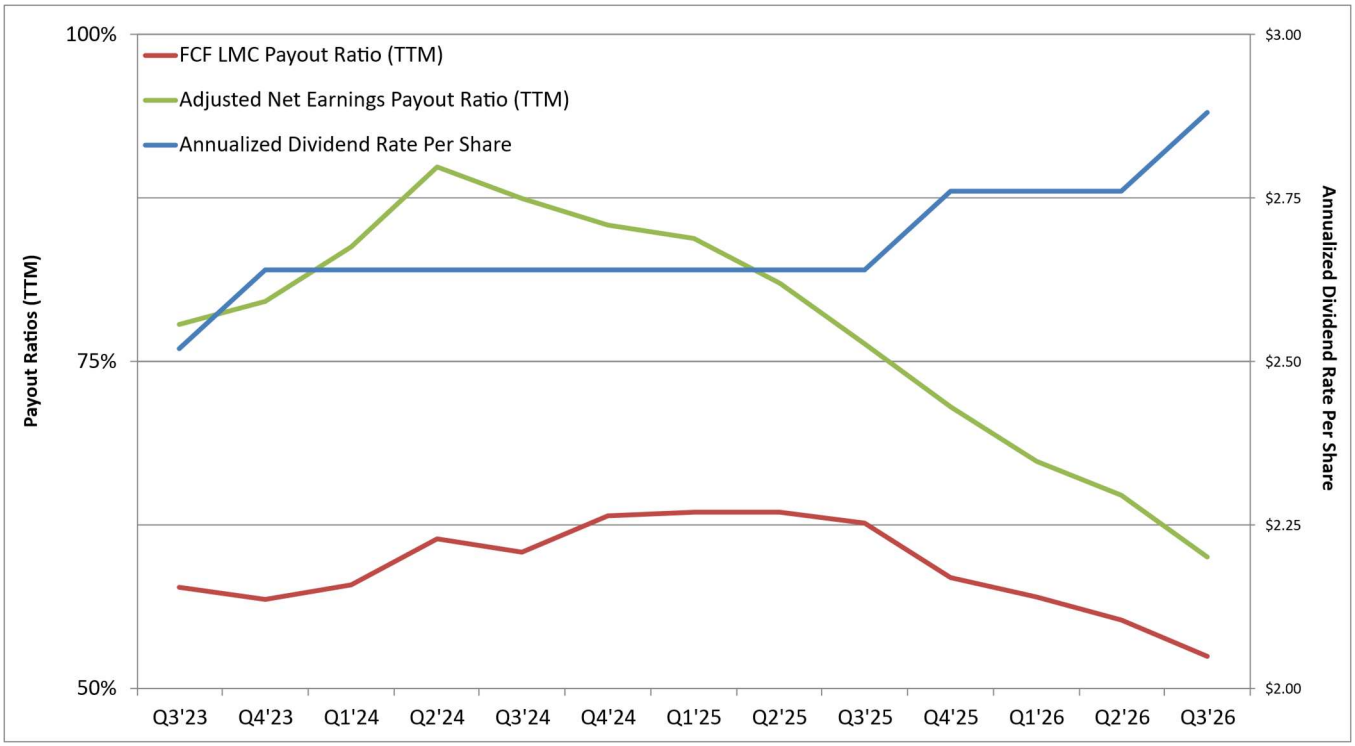
Payout Ratios *(Section 12 – Non-IFRS Financial Measures and Glossary)*

Basic per Share Payout Ratios for the Corporation	**2026**		2025	
Periods Ended September 30	**Three Months**	**Trailing Twelve Months**	Three Months	Trailing Twelve Months
Adjusted Net Earnings	**39%**	**60%**	45%	76%
Free Cash Flow less Maintenance Capital Expenditures	**35%**	**52%**	39%	63%

The trailing twelve month Adjusted Net Earnings payout ratio improved to 60% at September 30, 2026 compared to 76% at September 30, 2025, due to higher Adjusted Net Earnings which is discussed in detail above in *Section 2 – Results of Operations*. The trailing twelve month Free Cash Flow less Maintenance Capital Expenditures payout ratio improved to 52% at September 30, 2026 compared to 63% at September 30, 2025, which is due to increased Free Cash Flow less Maintenance Capital Expenditures, which is discussed in detail above in *Section 2 – Results of Operations*. See *Section 3 – Investing Activities* for more information on Maintenance Capital Expenditures. Both payout ratios were impacted in the current period by the August 2026 dividend increase, the November 2025 dividend increase, and the increase in the weighted average number of shares outstanding. Both trailing twelve month payout ratios are the best in the Corporation's history.

The nature of Maintenance Capital Expenditures is such that fluctuation can occur from period to period based on the timing of maintenance events, as discussed in *Section 3 – Investing Activities*. The Adjusted Net Earnings payout ratio is not impacted by the timing differences in Maintenance Capital Expenditures.

The following graph shows the Corporation's historical Free Cash Flow less Maintenance Capital Expenditures trailing twelve-month payout ratio and Adjusted Net Earnings trailing twelve-month payout ratio on the left axis. On the right axis, the annualized dividend rate per share is shown.



5. OUTLOOK

The Corporation continues to execute its acquisition strategy while further investing in its subsidiaries, with the intent of diversifying the Corporation's cash flows to provide shareholders with dependable returns, even during times of market or economic disruption or dislocation. By acquiring successful companies with demonstrated and sustainable market niches and exceptional management teams, then providing these companies with additional capital to expand, we have been able to deliver consistent compounding growth for our shareholders on a per share basis throughout our history. Not all our subsidiaries will be performing at peak levels at any given point in time, but the diversification within our portfolio of companies has enabled the overall portfolio of companies to be much more resilient than any one individual business. This means one or more over-performing business line or business can support other subsidiaries that are experiencing challenges without negatively impacting EIC's overall results materially, allowing management to focus strategically on long-term profitability and cash flow, rather than short-term quarter to quarter results. It is this business philosophy and focus on the long-term diversification of cash flows that drives EIC's investment thesis and is the bedrock of the consistent results we have generated since inception.

Our record key financial metrics reflect the continued execution of our business model and investment philosophy. Our resilient and diversified business model, strong financial results posted in our first three quarters, coupled with the contractual wins recently announced including the extended and expanded Air Canada commercial agreement, the Mach2 acquisition, the Air Greenland Aerospace contract, and continued increased contribution from our leasing activities within our Aircraft Sales & Leasing and Environmental Access Solutions business lines provides us with confidence that our Adjusted EBITDA for fiscal 2026 will be at or above the top end of the range previously provided of $890 million to $920 million.

2027 Overall Outlook

Our resilient and diversified business model coupled with the contractual wins announced provides us with confidence that our Adjusted EBITDA for fiscal 2027 is expected to be in the range of $1.0 billion to $1.06 billion. For clarity, the Adjusted EBITDA guidance is based on all currently announced contractual wins and existing contracts expected to be renewed, but excludes the impact of potential future contracts or acquisitions.

Seasonality

We are exposed to certain amounts of seasonality in our operating segments. The first quarter is our seasonally slowest quarter. While the majority of our operations experience this seasonality, it is especially impactful in our Essential Air Services and Environmental Access Solutions business lines. The fixed cost nature of scheduled flying coupled with potentially reduced traffic, due to reduced demand, weather effects and the impact of winter roads, as applicable, to transport people and goods results in lower passenger and cargo revenues with a corresponding reduction in Adjusted EBITDA during the first quarter. Our Environmental Access Solutions business line also experiences seasonality as the frozen terrain generally experienced in the first quarter does not require the same degree of mat coverage that would be required during the spring, summer and fall periods. The colder weather in the first quarter also generally results in a seasonal slowdown in large infrastructure projects across North America, impacting certain of the Corporation's other Manufacturing segment subsidiaries.

Regarding the remaining quarters, we generally experience the highest level of activity in both our Aerospace & Aviation and Manufacturing segments during the third quarter. An increased level of activity in all businesses typically results in the highest level of profitability during the third quarter. The second quarter and fourth quarters would approximately represent the average of per annum levels of revenue and profitability.

The seasonality above is based on general predictable patterns. Unusual weather patterns or other events can impact individual subsidiaries; however, our geographic diversity helps to mitigate such risk.

Outlook by Segment

Our Aerospace & Aviation segment Revenue and Adjusted EBITDA are expected to increase for the fourth quarter compared to the prior period due to previous organic growth investments made in our aviation entities, continued execution on the contract wins, including the extended and expanded Air Canada commercial agreement along with the Air Greenland Aerospace contract and the acquisition of Mach2.

Our Essential Air Services business line Revenue and profitability are expected to increase for the fourth quarter compared to the prior period due to the expanded and extended commercial agreement with Air Canada announced during the first quarter coupled with continued strong passenger load factors expected to continue throughout the fourth quarter. We will be receiving the 12th new King Air 360 aircraft in the fourth quarter to service the BCEHS medevac contract and the pre-existing aircraft have been deployed throughout our network, as anticipated, including to service the Newfoundland and Labrador fixed wing air ambulance contract, which is starting to generate financial returns and is expected to ramp up to its full operational cadence in Fiscal 2027.

The Aerospace business line Revenue and profitability are expected to increase in the fourth quarter compared to the prior period due to continued high tempo flying under certain of our ISR contracts. In 2024, we also announced that we were a member of the successful SkyAlyne consortium on the awarding of the FaCT Program. We have finalized the scope of our arrangement with the other program members however we don't anticipate any material contribution from this program in the 2026 results with ramp up of the operations starting in Fiscal 2027. We also announced that we were selected by Air Greenland and the Government of Denmark as the missionization partner in its development and delivery of two missionized surveillance DHC-8-200 aircraft and an integrated ground mission environment. Modification of the Air Greenland aircraft commenced earlier in the year and will continue throughout the remainder of the year and Fiscal 2027.

The Aircraft Sales & Leasing business line Revenue and profitability are expected to increase for the fourth quarter compared to the prior period due to the acquisition of Mach2 in January 2026 along with the continued leasing and aircraft and part sales momentum from Growth Capital Expenditures and inventory investments made throughout 2025 and 2026. Leasing revenue continues to increase as we deploy our assets globally to meet increases in demand, coupled with an expansion in rental rates, resulting in enhanced profitability. We continue to see robust demand for aircraft, engines, and parts.

On a longer-term basis, the outlook for our Aerospace & Aviation segment continues to be bullish. We have invested significantly in our fleets and infrastructure over the past number of years, and those investments will continue to drive our financial results. The Arctic infrastructure owned by EIC's subsidiaries, which includes hangars, ground equipment, bulk fuel storage, housing, and aircraft, will provide further expansion opportunities in the Arctic defence and security realm for our Aerospace business line. Further tailwinds exist, as Canada's resource economy continues to develop, including the exploration and mining of critical minerals, which will necessitate transportation to remote areas particularly in the North. Additionally, the Canadian Government has identified the North as being critical in defending our sovereignty and has announced additional spending commitments to ensure that we secure our Northern territory while at the same time meeting NATO spending targets. This will provide opportunities for our various subsidiaries across our operating segments to provide services to the provincial, territorial and federal governments based on our infrastructure, advanced aerospace solutions, Arctic aviation, in-country defence manufacturing, and networks of partnerships with Indigenous communities. Our capabilities uniquely position EIC to lead and support these critical initiatives for Canada consistent with the Defence Industrial Strategy. Opportunities exist to expand the geographical footprint of our world class medevac capabilities to other regions throughout Canada and the ability to expand our ISR offerings

to other geographies around the world. The growing demand for defence and ISR services around the world positions EIC strongly for long-term growth. Lastly, our Aircraft Sales & Leasing business line continues to expand. We have noted continued strong demand for parts, aircraft and engines. Furthermore, air operators are continuing to look for spare engines and repaired parts due to component shortages. These factors are expected to provide tailwinds to Aircraft Sales & Leasing coupled with expansion opportunities into the narrowbody and widebody commercial market with the acquisition of Mach2 and leveraging of Boeing 737 parts data from the acquisition of Canadian North. The integration of Mach2, including engagement with Canadian North, has exceeded expectations.

Our Manufacturing segment Revenue and Adjusted EBITDA are expected to increase for the fourth quarter compared to the prior period. We continue to experience improvement in business sentiment across several industries which has driven increased quoting and firm fixed sales orders throughout our various Manufacturing businesses during and subsequent to the quarter end. The increases are anticipated to be moderated by the imposition of tariffs on DryAir's products as customers have deferred orders pending resolution of the tariffs.

Our Environmental Access Solutions business line is expected to improve from both a Revenue and profitability perspective during the fourth quarter relative to the prior period due to increased volumes of higher-margin mat rentals coupled with expanded rental rates and strength in mat sales and operational revenue in addition to the financial impacts associated with the acquisition of TerraPro announced during the quarter. Our Multi-Storey Window Solutions business line Revenue and profitability are expected to be materially consistent with the prior comparative period. Margins are expected to continue to be compressed due to the competitive environment at the time of bookings. Management continues to identify efficiencies and bid on higher margin projects and diversify cash flows amongst various geographies and end markets. We have experienced three consecutive quarters of positive book to bill ratios which provides encouragement over the medium and longer term prospects of the business line. Our Precision Manufacturing & Engineering business line is expected to slightly decline in Revenue and profitability for the fourth quarter due to the imposition of tariffs at DryAir as the fourth quarter of 2025 was very strong because the seasonality trends of the business. The other businesses within this business line remain very strong. Inquiries at all our Manufacturing businesses remain robust with strong bookings of orders across several subsectors including defence, datacenter, telecommunications and hydronic heating.

On a longer-term basis, business fundamentals and North American trends support our positive outlook for the Manufacturing segment business lines. Our Environmental Access Solutions business line sees opportunities to further expand our customer base in the US as the composite mat manufacturing capabilities continue to increase our overall diversification within the business line. On a macro basis, with the ongoing expansion of the electrical grid, including expanded transmission and distribution development and maintenance, and opportunities in the resource sector, including new long-linear projects, the utilization of matting and Canadian operation's bridge solutions will be vital to protect ecologically sensitive areas. The increase in US composite matting market share along with strong customer feedback and demand for our composite matting solutions is resulting in the construction of a second plant in Saltillo, Mississippi which will significantly increase capacity. This project is on time and on budget with expectations to be operational in the latter part of 2027. The long-term macroeconomic trends associated with the shortage in affordable housing and rentals across North America provide significant medium and long-term upside to our Multi-Storey Window Solutions business line. The number of apartment rental projects, as opposed to condominiums in certain markets is increasing, along with re-skinning projects to convert commercial properties into residential buildings. From a capacity and capabilities standpoint, our Multi-Storey Window Solutions business line is agnostic to the type of project as our subsidiaries have significant experience in all subsectors. We are continuing to see strong levels of inquiry and continue to experience additions to our orderbook in excess of revenues recognized driven by various geographies and end markets across North America. The booking trend is encouraging, however there remains concern over the higher interest and mortgage rate environment, oversupply of investor focused condominiums in Southern Ontario, and developer uncertainty. Outside of the residential sector, there continues to be demand for commercial opportunities in healthcare, institutional and infrastructure projects which provide diversification for the business. Governments at all levels continue to advance investments in hospitals, long-term care facilities, transportation, education and other critical infrastructure. Lastly, our Precision Manufacturing & Engineering business line is poised for further growth based on the anticipated increased demand as customers are reshoring manufacturing capabilities to North America coupled with execution of opportunities that are expected to materialize as the business sentiment continues to improve due to demand in the defence, aerospace, datacenter and telecommunications industries.

Head Office is not a separate operating segment, but rather represents expenses incurred at the corporate level in support of the various segments. Expenses are anticipated to slightly increase when compared to comparative periods to support continued investment in people including additional head count to support the operating segments and corollary compensation expense increases, additional investments related to Indigenous Reconciliation programs such as the Atik Mason Pilot Pathway Program and additional costs related to investments in IT infrastructure and cybersecurity.

Tariffs and Geopolitical Uncertainty

Our Aerospace & Aviation segment is not directly impacted by tariffs; however, it may be temporarily exposed to secondary risks associated with tariffs and protectionist policies. Our Essential Air Services and Aerospace business lines may be impacted by short-term fluctuations in foreign exchange rates, raw material escalations due to steel and aluminum tariffs and risks associated with countervailing tariffs should they be enacted. Furthermore, fuel price increases from geopolitical uncertainty can have a short-term impact as contract and ticket prices are adjusted on a daily, weekly and monthly basis. These are, however, ultimately recovered as fuel prices normalize in the longer term. Additionally, certain contracts contain flow-through pricing mechanisms which fully mitigate fuel commodity exposure. Ultimately, the majority of revenues and expenditures within those business lines would not be impacted, owing to the fact the services they provide are essential in nature and inflationary escalators within certain contracts which offsets the fuel cost increases. Our Aircraft Sales & Leasing business may be a beneficiary of geopolitical uncertainty as aircraft acquisitions may be deferred by airline operators around the world, which would increase demand for parts, leased aircraft and engine assets. To date, we have not experienced any significant negative impact on the Aerospace & Aviation segment resulting from the tariffs enacted.

Our Manufacturing segment may be temporarily exposed to secondary risks associated with tariffs and protectionist policies. Our Environmental Access Solutions and Precision Manufacturing & Engineering business lines do not have significant cross border activities except for the operations of DryAir which are an immaterial component of the overall Manufacturing segment, but whose products are Canada-United States-Mexico Agreement compliant. The August 2026 *Section 338* tariffs impacted the operations of DryAir, and directly impacted operations as customers deferred orders pending future resolution of the tariffs. Active mitigation strategies were undertaken including shipment of completed units to the United States in advance of the tariff enactment date along with the development of manufacturing capabilities co-located with existing Manufacturing operations in the Unites States. Our Multi-Storey Window Solutions business line has the capability to manufacture goods either in Canada or the US and therefore can mitigate certain of the risks in the medium term. Our Multi-Storey Window Solutions business line has been impacted by aluminum tariffs during fiscal 2025 and continuing into 2026 including amendments which result in tariffs based on the entire value of the aluminum window when imported to the US. While we continue to look for alternative suppliers in the US, to date we have been unable to re-orient our supply chain and have shifted manufacturing capabilities to minimize the impact in the shorter term. We have not experienced any significant negative impacts elsewhere in the Manufacturing segment, as our products are generally compliant with the Canada-United States-Mexico Agreement. We have noted some increases in input costs for steel and aluminum products; however increases are mitigated through various strategic activities.

Overall, we have taken several strategic initiatives throughout our operations to mitigate known exposures, however unintended consequences from political decisions and protectionist policies may exist and may not be reliably measurable or mitigated.

Capital Expenditures

Maintenance Capital Expenditures are undertaken to maintain the earning power of the business. The vast majority of our Maintenance Capital Expenditures are related to the Aerospace & Aviation segment, and these are driven by required maintenance intervals generally based on flight hours. With the expanded fleet size, contract wins, inflation related to parts and maintenance, repair and overhaul labour costs, we generally anticipate increases in our Maintenance Capital Expenditures in our Essential Air Services and Aerospace business lines in line with Adjusted EBITDA due to the growth factors previously discussed. The Maintenance Capital Expenditures within our Essential Air Services operations are expected to decrease for the fourth quarter compared to the prior period due to the timing of events. The Maintenance Capital Expenditure on our Aircraft Sales & Leasing business line is expected to increase in line with our anticipated increase in Adjusted EBITDA due to the increased utilization and number of assets within our leased aircraft portfolio. Lastly, we anticipate slight increases in Maintenance Capital Expenditures on our Aerospace business line due to anticipated increases in the tempo of flying under existing contracts offset by timing of events. Maintenance Capital Expenditures for the Manufacturing segment are expected to increase during the fourth quarter compared to the prior period due to the deferral of the timing of acquisition of replacement equipment from earlier in the year coupled with increased maintenance capital expenditures associated with the increased rental fleet within the Environmental Access Solutions business line.

Growth Capital Expenditures will be primarily driven by the contract wins announced within the Aerospace & Aviation segment along with expenditures associated with the build-out of the new composite mat plant within the Manufacturing segment. The Growth Capital Expenditures in the Essential Air Services business line primarily relates to the acquisition of the last remaining new King Air aircraft in the fourth quarter and related interior modifications that are required for the British Columbia medevac contract along with the planned redeployment of pre-existing aircraft to service the Newfoundland and Labrador medevac contract which will require some additional investment in airframes and aircraft interiors. Growth Capital Expenditures are also anticipated for the extended and expanded Air Canada commercial agreement with PAL Airlines. As the Aircraft Sales & Leasing business line is an opportunistic acquiror, Growth Capital Expenditures may be undertaken if opportunities are identified, and returns are commensurate with management's expectations. Based on

current opportunities and demand signals, it is expected that we will continue to see further investment in the lease fleet. These opportunistic purchases are held to the same level of diligence and discipline as an acquisition and will only be executed if appropriate financial metrics and risk mitigation exist. Growth Capital Expenditures in our Manufacturing segment are expected to be higher than the prior year due to capital expenditures related to the new composite mat plant in the Southeastern US for the Environmental Access Solutions business line coupled with equipment and plant expansions of various businesses within the Precision Manufacturing and Engineering business line due to long-term demand trends from customers. Furthermore, our Environmental Access Solutions business line constantly monitors the market and may right-size its rental bridge and mat fleet and based on anticipated demand over the medium and longer-term would anticipate Growth Capital Expenditures to its mat fleet.

6. LIQUIDITY AND CAPITAL RESOURCES

The Corporation's working capital position, Free Cash Flow, and capital resources remain strong. The Corporation completed several capital transactions in 2025 and 2026 that strengthened its balance sheet as the Corporation prepares for future growth. These transactions position EIC with access to capital to make acquisitions and invest in its operating subsidiaries, all while providing the ability to weather times of economic uncertainty. During the period, the Corporation completed its inaugural investment-grade senior unsecured note offering. The Corporation offered $600 million principal of the senior unsecured notes, bearing interest at a rate of 4.324% per annum and maturing on March 13, 2031. The notes provide the Corporation with additional liquidity at a fixed rate and the net proceeds were used to repay a portion of the Corporation's credit facility.

On January 26, 2026, the Corporation amended and restated its credit facility, increasing it from approximately $3.0 billion to approximately $3.5 billion, extending the maturity to January 26, 2030 with no change in pricing. The terms and conditions included within the facility are now more flexible than the Corporation's previous credit facility, including moving from a secured facility to an unsecured facility. The increased size of the credit facility provides the Corporation with the highest level of available capital in its history, providing capacity to continue to execute on its core strategy of pursuing accretive growth through investment in its operating subsidiaries and through acquisition.

With the extension of its credit facility, and the completion of the inaugural senior unsecured note offering, the nearest term debt maturity as of the date of this report is the credit facility on January 26, 2030, followed by the senior unsecured notes on March 13, 2031. The structured timing of debt maturities provides additional financial flexibility and provides the ability to weather economic downturns in the future. The upsize of the credit facility and inaugural note offering do not change our conservative view on leverage. Our total leverage ratio has remained consistent since our inception, and even with the increased access to capital, our intention is to maintain our historical leverage profile going forward.

Liquidity is a foundational pillar of our long term strategy. As a disciplined, acquisition oriented organization, the Corporation's ability to consistently deploy capital into high quality, cash generating businesses is directly dependent on maintaining substantial financial flexibility. Strong liquidity ensures that EIC can act decisively when attractive opportunities arise, while continuing to support its operating subsidiaries, meet ongoing financial obligations, and return capital to shareholders, as applicable. Increasing available capital during the first quarter through these capital market transactions speaks to the quality of opportunities management is experiencing, both organically and through acquisition.

While maintaining this level of additional liquidity results in standby charges incurred on the Corporation's credit facility, maintaining this liquidity provides several strategic advantages. It allows the Corporation to pursue acquisitions in competitive processes without being constrained by market conditions or execution risk, to fund growth investments within existing businesses, and to absorb near term volatility without compromising long term objectives. Our approach to liquidity management reflects a long-standing commitment to conservatism, diversification, and optionality. The Corporation is also regularly not the highest bidder in competitive processes for acquisitions, and having ample liquidity provides the vendors of companies the comfort that EIC will have the capital available to close the transaction. By proactively managing its capital structure and liquidity profile, the Corporation positions itself to execute on its core strategy of sustainable, accretive growth while maintaining balance sheet strength and protecting shareholder value.

As at September 30, 2026, the Corporation's key financial covenant for its credit facility is its total leverage ratio, of which the facility allows for a maximum of 4.0x. The Corporation's current total leverage ratio is 2.64x (December 31, 2025 – 2.73x), with the decrease compared to year end attributable to strong operating performance including the realization of the benefit of Growth Capital Expenditures previously made. As the Corporation continues to receive the benefit of full year contribution from Growth Capital Expenditures already made, this will add downward momentum to the Corporation's aggregate leverage ratio.

Consistent with EIC's historical balance sheet management, the Corporation has been proactive in managing its liquidity such that should an opportunity present itself, EIC has the capability and financial resources to execute. As at September 30, 2026, the Corporation has liquidity of approximately $2.2 billion through cash on hand, its credit facility, and the credit facility accordion feature, which when combined

with strong Free Cash Flow, maintains the Corporation's very strong liquidity position. As discussed above, the Corporation added an additional $500 million in additional liquidity during the nine month period ended September 30, 2026 with the upsized credit facility, and $600 million through its inaugural bond offering.

As at September 30, 2026, the Corporation had a cash position of $121 million (December 31, 2025 - $146 million) and a net working capital position of $620 million (December 31, 2025 - $568 million) which represents a current ratio of 1.60 to 1 (December 31, 2025 – 1.71 to 1). The current ratio is calculated by dividing current assets by current liabilities, as presented on the Statement of Financial Position.

Overview of Capital Structure

The Corporation's capital structure is summarized below.

	September 30 2026	December 31 2025
Credit facility (principal value)	**$ 1,771,745**	$ 2,178,907
Senior unsecured notes (par value)	**600,000**	-
Common shares	**1,764,430**	1,733,521
Total capital	**$ 4,136,175**	$ 3,912,428

Credit facility

On January 26, 2026, the Corporation completed the upsize and extension of its credit facility. The enhanced credit facility increased to $3.5 billion from approximately $3.0 billion, its term was extended to January 26, 2030, and was completed with no change in pricing. The credit facility also moved from a secured facility to an unsecured one, providing the Corporation with additional financial flexibility. The credit facility includes $2,857 million allocated to the Corporation's Canadian Head Office and US $460 million allocated to EIIF Management USA, Inc. The amount allocated to the Corporation's Canadian Head Office includes the continuation of the previously announced $200 million social loan tranche, which is being used to fund the purchase of new King Air aircraft for the long-term medevac contract with the Province of British Columbia. The $200 million social loan tranche permits the Corporation to draw on that portion of the facility as the new aircraft are delivered and modified for medical purposes. As part of the transaction, ISS Corporate provided an independent Second Party Opinion that concluded the loan is in alignment with the Social Loan Principles as issued by the Loan Market Association.

As at September 30, 2026, the Corporation had drawn $179 million and US $1,123 million (December 31, 2025 - $387 million and US $1,307 million).

The Corporation's long-term debt, net of cash, decreased by $383 million since December 31, 2025. During the period, the Corporation completed its inaugural senior unsecured note offering, with net proceeds used to repay indebtedness under the Credit Facility. The decrease in long-term debt from this repayment was partially offset by investments in Growth Capital Expenditures, working capital, and the acquisition of Mach2 on January 31, 2026.

During the period, the Corporation used derivatives through several cross-currency basis swaps ("swap") with a member of the Corporation's lending syndicate. The swap requires that funds are exchanged back in one month at the same terms unless both parties agree to extend the swap for an additional month. By entering into the swap, the Corporation can take advantage of lower interest rates. The swap mitigates the risk of changes in the value of the US dollar borrowings as it will be exchanged for the same Canadian equivalent in one month. As at September 30, 2026, US $603 million (December 31, 2025 – US $817 million) of the Corporation's US denominated borrowings are hedged with these swaps.

During the period, the Corporation's interest rate swaps matured and were not renewed. This fixed rate debt, along with redeemed convertible debentures in the prior year was replaced with fixed rate notes as discussed further below.

Senior Unsecured Notes

The following summarizes the senior unsecured notes outstanding as at September 30, 2026:

Series - Year of Issuance	Maturity	Interest Rate	Rating	Principal Value
Senior Unsecured Notes - March 2026	March 13, 2031	4.324%	BBB (low)	$ 600,000

On March 13, 2026, the Corporation completed an offering of $600 million principal amount of senior unsecured notes. The notes bear interest at a rate of 4.324% per annum, payable semi-annually in arrears on March 13 and September 13 of each year, and mature on March 13, 2031. The notes represent the Corporation's inaugural investment-grade offering, with DBRS assigning the notes with a final rating of BBB (low), with a stable trend.

Share Capital

The following summarizes the changes in the shares outstanding of the Corporation during the nine months ended September 30, 2026:

	Date issued	Number of shares
Shares outstanding, beginning of period		56,129,898
Issued under dividend reinvestment plan (DRIP)	various	134,511
Issued under employee share purchase plan	various	44,784
Issued to Mach2 vendor on closing	January 31, 2026	121,147
Shares outstanding, end of period		56,430,340

The Corporation issued 134,511 shares under its dividend reinvestment plan during the period and received $14 million for those shares in accordance with the dividend reinvestment plan. During the period, the Corporation announced that, beginning with the April 2026 dividend, the discount provided to dividend reinvestment plan participants will be 1%, a decrease from 3% previously.

The Corporation issued 44,784 shares under its Employee Share Purchase Plan during the period and received $5 million for those shares in accordance with the Employee Share Purchase Plan.

The Corporation issued shares to the vendor of Mach2 as part of the consideration paid on completion of the acquisition. In total, 121,147 shares were issued, representing purchase price consideration of $12 million.

The weighted average shares outstanding during the three and nine months ended September 30, 2026, increased by 8% and 10% respectively compared to the prior period. The increase is primarily attributable to shares issued in connection with the conversion of convertible debentures throughout 2025, Corporation's dividend reinvestment plan, and shares issued as part of the acquisitions of Mach2, Newfoundland Helicopters and Canadian North.

Normal Course Issuer Bid

On March 30, 2026, the Corporation renewed its NCIB for common shares. Under the renewed NCIB for common shares, purchases can be made during the period commencing on April 1, 2026, and ending on March 31, 2027. The Corporation can purchase a maximum of 5,311,716 shares and daily purchases will be limited to 37,145 shares, other than block purchase exemptions. The Corporation renewed its NCIB because it believes that from time to time, the market price of the common shares may not fully reflect the value of the common shares. The Corporation believes that in such circumstances, the purchase of common shares represents an accretive use of capital.

During the nine months ended September 30, 2026, the Corporation did not make any purchases under its NCIB and therefore still has the full amounts detailed above available for repurchase.

7. RELATED PARTY TRANSACTIONS

The nature of related party transactions that the Corporation entered during the nine months ended September 30, 2026, are consistent with those described in the Corporation's MD&A for the year ended December 31, 2025.

8. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

The Corporation's liabilities for contingent consideration associated with its acquisitions are reassessed each period end subsequent to the related acquisition. The carrying value of the liability is based on an estimate of both the amount of the potential payment and probability that the earn out will be paid. During the first quarter of 2026, the estimated liability for additional purchase consideration associated with Canadian North was remeasured, resulting in a recovery of $9 million and is included within "Other" in the Statement of Income.

Aside from the remeasurement of contingent consideration discussed above, there were no further changes to the Corporation's critical accounting estimates and judgments from those described in the MD&A of the Corporation for the year ended December 31, 2025.

9. ACCOUNTING POLICIES

The accounting policies of the Corporation used in the determination of the results for the interim condensed consolidated financial statements for the three and nine months ended September 30, 2026, that are discussed and analyzed in this report are described in detail in Note 3 of the Corporation's 2025 annual consolidated financial statements and Note 3 of the Corporation's interim condensed consolidated financial statements for the three and nine months ended September 30, 2026.

In May 2024, the IASB issued narrow scope amendments to IFRS 7 – Financial Instruments: Disclosures and IFRS 9 – Financial Instruments. These amendments address matters identified during the post-implementation review of IFRS 9, specifically with respect to classification and measurement. The amendments clarify the requirements for the timing of the recognition and derecognition of certain financial assets and liabilities. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Corporation has adopted the amendments as of January 1, 2026 with no material impact to its interim condensed consolidated financial statements. The amendments were applied prospectively, and comparative information was not restated.

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1 – Presentation of Financial Statements and will be accompanied by narrow scope amendments to IAS 7 – Statement of Cash Flows. IFRS 18 will introduce a defined structure for the statement of profit or loss and add disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. The standard will be effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 modifies the presentation of the Consolidated Statements of Income, with presentation of revenue and expenses within three categories – operating, investing and financing. During the period, the Corporation continued its IFRS 18 readiness assessment as it plans to adopt the standards on its effective date, January 1, 2027 retrospectively with a restatement of the comparative period. The Corporation expects to present new line items and subtotals within its Consolidated Statements of Income, and new line items within its Consolidated Statements of Cash Flows, but does not expect an impact to net earnings, earnings per share, the Consolidated Statements of Financial Position, the Consolidated Statements of Comprehensive Income, or the Consolidated Statements of Changes in Equity. The Corporation has determined that Adjusted EBITDA and Adjusted Net Earnings meet the definition of management defined performance measures, and will therefore be subject to new disclosure requirements under IFRS 18.

10. CONTROLS AND PROCEDURES

Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining internal controls over financial reporting to provide reasonable assurance with regard to the reliability of financial reporting and preparation of financial statements in accordance with IFRS, as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. Consistent with the concept of reasonable assurance, the Corporation recognizes that all systems of internal controls, no matter how well designed, have inherent limitations. As such, the Corporation's internal controls over financial reporting can only provide reasonable, and not absolute, assurance that the objectives of such controls are met.

An assessment of internal controls over financial reporting was conducted by the Corporation's management, under supervision by the Chief Executive Officer and Chief Financial Officer. Management has used the 2013 Internal Control – Integrated Framework to evaluate the Corporation's internal controls over financial reporting, which is recognized as a suitable framework developed by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Management has evaluated the design of the Corporation's internal controls over financial reporting as at September 30, 2026, and has concluded that the design of internal controls over financial reporting is effective.

There have been no material changes to the Corporation's internal controls during the 2026 period that would have materially affected, or are likely to materially affect, the internal controls over financial reporting.

On October 22, 2026, and November 1, 2026, subsequent to the end of the period, the Corporation completed the acquisitions of TerraPro Inc. and Cartel Communication Systems Inc. respectively. As of the date of this MD&A, management has not completed its review of internal controls over financial reporting for these newly acquired subsidiaries, nor determined their potential impact, if any, on the Corporation's internal controls over financial reporting. An assessment of its impact will be completed for year-end 2026.

Disclosure Controls and Procedures

Management has established and maintained disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation is made known to management in a timely manner and that information required to be disclosed by the Corporation is reported within the time periods prescribed by applicable securities legislation. Management has concluded that the design of disclosure controls and procedures were effective as at September 30, 2026.

11. RISK FACTORS

The Corporation and its subsidiaries are subject to several business risks. These risks relate to the structure of the Corporation and the operations at the subsidiary entities. There were no material changes to the Corporation's principal risks and uncertainties from those reported in the Corporation's year end MD&A for the year ended December 31, 2025, except as updated in the subsequently filed Annual Information Form with respect to the credit rating applicable to bond proceeds.

12. NON-IFRS FINANCIAL MEASURES AND GLOSSARY

Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance and Growth Capital Expenditures are not recognized measures under IFRS and are, therefore, defined below.

Adjusted EBITDA: is defined as earnings before interest, income taxes, depreciation, amortization, other non-cash items such as gains or losses recognized on the fair value of contingent consideration items, asset impairment, and restructuring costs, and any unusual non-operating one-time items such as acquisition costs. This measure is used by management to assess its consolidated results and the results of its operating segments. Adjusted EBITDA is a performance measure utilized by many investors to analyze the cash available for distribution from operations before allowance for debt service, capital expenditures, and income taxes. The most comparable IFRS measure, presented in the Corporation's Statements of Income as an additional IFRS measure, is Earnings before Depreciation, Amortization, Finance Costs, Taxes, and Other.

Adjusted Net Earnings: is defined as Net Earnings adjusted for acquisition costs, amortization of intangible assets, interest accretion on acquisition contingent consideration, accelerated interest accretion on convertible debentures, and non-recurring items, such as restructuring costs. Adjusted Net Earnings is a performance measure, along with Free Cash Flow less Maintenance Capital Expenditures, which the Corporation uses to assess cash flow available for distribution to shareholders. The most comparable IFRS measure is Net Earnings. Interest accretion on contingent consideration is recorded in the period subsequent to an acquisition after the expected payment to the vendors is discounted. The value recorded on acquisition is accreted to the expected payment over the earn out period. Accelerated interest accretion on convertible debentures reflects the additional interest accretion recorded in a period that, but for the action to early redeem the debenture series, would have been recorded over the remaining term to maturity. This interest reflects the difference in the book value of the convertible debentures and the par value outstanding.

The Corporation presents Adjusted Net Earnings per share, which is calculated by dividing Adjusted Net Earnings, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

The Corporation presents an Adjusted Net Earnings payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation's Financial Statements and Notes, by Adjusted Net Earnings, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

Free Cash Flow: for the year is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, acquisition costs, principal payments on right of use lease liabilities, and any non-recurring items, such as restructuring costs. Free Cash Flow is a performance measure used by management and investors to analyze the cash generated from operations before the seasonal impact of changes in working capital items or other unusual items. The most comparable IFRS measure is Cash Flow from Operating Activities. Adjustments made to Cash Flow from Operating Activities in the calculation of Free Cash Flow include other IFRS measures, including adjusting the impact of changes in working capital and deducting principal payments on right of use lease liabilities.

The Corporation presents Free Cash Flow per share, which is calculated by dividing Free Cash Flow, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

Free Cash Flow less Maintenance Capital Expenditures: for the year is equal to Free Cash Flow, as defined above, less Maintenance Capital Expenditures, as defined below.

The Corporation presents Free Cash Flow less Maintenance Capital Expenditures per share, which is calculated by dividing Free Cash Flow less Maintenance Capital Expenditures, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

The Corporation presents a Free Cash Flow less Maintenance Capital Expenditures payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation's Financial Statements and Notes, by Free Cash Flow less Maintenance Capital Expenditures, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

Maintenance and Growth Capital Expenditures: Maintenance Capital Expenditures is defined as the capital expenditures made by the Corporation to maintain the operations of the Corporation at its current level. Other capital expenditures are classified as Growth Capital Expenditures as they will generate new cash flows and are not considered by management in determining the cash flows required to sustain the current operations of the Corporation. While there is no comparable IFRS measure for Maintenance Capital Expenditures

or Growth Capital Expenditures, the total of Maintenance Capital Expenditures and Growth Capital Expenditures is equivalent to the total of capital asset and intangible asset purchases, net of disposals, on the Statement of Cash Flows.

The Corporation's Maintenance Capital Expenditures include aircraft engine overhauls and airframe heavy checks that are recognized when these events occur and can be significant. Each aircraft type has different requirements for its major components according to manufacturer standards and the timing of the event can be dependent on the extent that the aircraft is utilized. As a result, the extent and timing of these Maintenance Capital Expenditure events can vary significantly from period to period, both within the year and when analyzing to the comparative period in the prior year.

Aircraft Sales & Leasing purchases of operating aircraft and engines within its lease portfolio are capital expenditures, and the process used to categorize expenditures as either growth or maintenance is based on the utilization of that portfolio. Since aircraft that are leased to third parties are being consumed over time, reinvestment is necessary to maintain the ability to generate future cash flows at existing levels. This depletion of the remaining green time of these aircraft, and therefore Maintenance Capital Expenditures, is represented through a charge based on utilization of the underlying assets. Only net capital expenditures more than this charge are classified as Growth Capital Expenditures. If there were no purchases of capital assets during the period by Aircraft Sales & Leasing, Maintenance Capital Expenditures would still be equal to utilization charge on its leased assets and Growth Capital Expenditures would be negative, representing the depletion of potential future earnings and cash flows. The aggregate of Maintenance and Growth Capital Expenditures always equals the actual cash spent on capital assets during the period. This ensures that the payout ratio reflects the necessary replacement of Aircraft Sales & Leasing's leased assets.

Environmental Access Solutions has a portfolio of access mats and bridges that it rents to third parties. The utility of those assets is consumed over the useful life of the assets, represented by depreciation, and therefore depreciation on these assets reflects the reinvestment required to maintain Free Cash Flow at current levels. Any capital expenditures in the access mat and bridge rental portfolio in excess of the depreciation, which represents Maintenance Capital Expenditures, will result in Growth Capital Expenditures as this increased investment will generate additional cash flows in the future. It is possible to have negative Growth Capital Expenditures during a given period where total reinvestment is less than depreciation recorded on its rental portfolio.

Purchases of inventory are not reflected in either Growth or Maintenance Capital Expenditures. Aircraft purchased for part out or resale or access mats constructed for resale are recorded as inventory and are not capital expenditures. If a decision is made to take an asset out of either lease portfolio and either sell it or part it out, the net book value is transferred from capital assets to inventory. For Aircraft Sales & Leasing, capital assets on the balance sheet include operating aircraft and engines that are either on lease or are available for lease. Individual parts are recorded within inventory and capital assets that become scheduled for part out or access mats that intended to be sold to a third party have been transferred to inventory as at the balance sheet date.

Investors are cautioned that Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures should not be viewed as an alternative to measures that are recognized under IFRS such as Net Earnings or cash flow from operating activities. The Corporation's method of calculating Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures may differ from that of other entities and therefore may not be comparable to measures utilized by them.

13. QUARTERLY INFORMATION

The following summary reflects quarterly results of the Corporation:

	2026			2025				2024	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	**$ 1,057,448**	**952,159**	**866,583**	$ 929,547	$ 959,744	$ 719,928	$ 668,276	$ 687,695	$ 709,856
Adjusted EBITDA	**287,703**	**226,222**	**166,094**	216,431	230,569	177,236	130,136	167,054	192,914
Net Earnings	**95,626**	**56,923**	**27,894**	51,566	68,737	40,010	7,207	28,174	55,885
Basic	**1.70**	**1.01**	**0.50**	0.94	1.32	0.78	0.14	0.58	1.18
Diluted	**1.66**	**0.99**	**0.49**	0.92	1.24	0.75	0.14	0.57	1.08
Adjusted Net Earnings	**102,182**	**63,671**	**34,104**	58,424	75,674	47,156	14,295	38,740	61,372
Basic	**1.81**	**1.13**	**0.61**	1.06	1.46	0.92	0.28	0.80	1.29
Diluted	**1.78**	**1.11**	**0.59**	1.04	1.36	0.88	0.28	0.78	1.18
Free Cash Flow ("FCF")	**219,324**	**160,746**	**120,246**	164,931	171,441	123,424	81,484	110,606	136,116
Basic	**3.89**	**2.85**	**2.14**	3.00	3.30	2.40	1.61	2.30	2.86
Diluted	**3.81**	**2.80**	**2.10**	2.90	3.04	2.22	1.47	2.03	2.50
FCF less Maintenance Capital Expenditures	**115,065**	**74,390**	**41,027**	67,996	88,163	57,487	25,500	43,150	81,201
Basic	**2.04**	**1.32**	**0.73**	1.24	1.70	1.12	0.50	0.90	1.71
Diluted	**2.00**	**1.29**	**0.72**	1.20	1.58	1.06	0.50	0.84	1.53
Maintenance Capital Expenditures	**104,259**	**86,356**	**79,219**	96,935	83,278	65,937	55,984	67,456	54,915
Growth Capital Expenditures	**90,792**	**79,680**	**39,985**	134,017	127,752	4,543	56,118	42,995	93,180

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR+ at www.sedarplus.ca

Exchange Income Corporation

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited, in thousands of Canadian dollars)

As at	September 30 2026	December 31 2025
ASSETS		
CURRENT		
Cash and cash equivalents	**$ 120,878**	$ 145,773
Accounts receivable	**700,327**	601,739
Amounts due from customers on construction contracts	**77,886**	53,165
Inventories	**660,397**	511,161
Prepaid expenses and deposits	**100,245**	60,636
Income taxes receivable	**-**	586
	1,659,733	1,373,060
OTHER ASSETS (Note 7)	**135,882**	110,591
CAPITAL ASSETS	**2,582,770**	2,356,976
RIGHT OF USE ASSETS	**261,826**	247,400
INTANGIBLE ASSETS	**337,706**	348,206
GOODWILL	**876,581**	825,444
	$ 5,854,498	$ 5,261,677
LIABILITIES		
CURRENT		
Accounts payable and accrued expenses	**$ 736,884**	$ 577,091
Income taxes payable	**7,867**	-
Deferred revenue	**166,596**	123,074
Amounts due to customers on construction contracts	**66,196**	48,217
Current portion of right of use lease liability	**61,823**	56,587
	1,039,366	804,969
OTHER LONG-TERM LIABILITIES	**47,211**	45,595
LONG-TERM DEBT (Note 8)	**1,766,709**	2,174,685
SENIOR UNSECURED NOTES (Note 9)	**597,120**	-
LONG-TERM RIGHT OF USE LEASE LIABILITY	**212,853**	201,579
DEFERRED INCOME TAX LIABILITY	**301,278**	272,457
	3,964,537	3,499,285
EQUITY		
SHARE CAPITAL (Note 10)	**1,764,430**	1,733,521
CONTRIBUTED SURPLUS	**17,871**	17,871
DEFERRED SHARE PLAN	**22,374**	20,286
NON-CONTROLLING INTERESTS	**-**	5,000
RETAINED EARNINGS		
Cumulative Earnings	**1,274,386**	1,088,943
Cumulative Dividends	**(1,257,894)**	(1,140,136)
Cumulative impact of share cancellation under the NCIB	**(26,122)**	(26,122)
	1,795,045	1,699,363
ACCUMULATED OTHER COMPREHENSIVE INCOME	**94,916**	63,029
	1,889,961	1,762,392
	$ 5,854,498	$ 5,261,677

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

Approved on behalf of the directors by:

Duncan Jessiman, Director
Signed

Donald Streuber, Director
Signed

Exchange Income Corporation

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

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

	Three Months Ended		Nine months ended	
For the periods ended September 30	**2026**	2025	**2026**	2025
REVENUE				
Aerospace & Aviation	**$ 719,678**	$ 680,477	**$ 1,977,246**	$ 1,517,424
Manufacturing	**337,770**	279,267	**898,944**	830,524
	1,057,448	959,744	**2,876,190**	2,347,948
EXPENSES				
Aerospace & Aviation expenses - excluding depreciation and amortization	**402,472**	411,443	**1,180,557**	903,708
Manufacturing expenses - excluding depreciation and amortization	**234,330**	195,938	**627,544**	589,716
General and administrative	**132,943**	121,794	**388,070**	316,583
	769,745	729,175	**2,196,171**	1,810,007
EARNINGS BEFORE DEPRECIATION, AMORTIZATION, FINANCE COSTS, TAXES, AND OTHER (Note 4)	**287,703**	230,569	**680,019**	537,941
Depreciation of capital assets	**98,147**	84,737	**271,585**	222,061
Amortization of intangible assets	**6,082**	6,084	**18,551**	18,344
Finance costs - interest	**30,182**	30,969	**88,351**	91,617
Depreciation of right of use assets	**16,881**	12,612	**48,153**	34,074
Interest expense on right of use lease liabilities	**3,105**	2,776	**8,795**	6,963
Acquisition costs	**2,093**	2,319	**6,983**	7,723
Other (Note 5)	**-**	-	**(8,581)**	-
EARNINGS BEFORE INCOME TAXES	**131,213**	91,072	**246,182**	157,159
INCOME TAX EXPENSE				
Current	**19,827**	13,142	**37,904**	30,972
Deferred	**15,760**	9,193	**27,835**	10,233
	35,587	22,335	**65,739**	41,205
NET EARNINGS	**$ 95,626**	$ 68,737	**$ 180,443**	$ 115,954
NET EARNINGS PER SHARE (Note 13)				
Basic	**$ 1.70**	$ 1.32	**$ 3.20**	$ 2.26
Diluted	**$ 1.66**	$ 1.24	**$ 3.14**	$ 2.19

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

Exchange Income Corporation

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited, in thousands of Canadian dollars)

Attributable to common shareholders	Three Months Ended		Nine months ended	
For the periods ended September 30	**2026**	2025	**2026**	2025
NET EARNINGS	**$ 95,626**	$ 68,737	**$ 180,443**	$ 115,954
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that are or may be reclassified to the Statement of Income				
Cumulative translation adjustment, for the three months ended and for the nine months ended	**(478)**	18,419	**37,628**	(26,467)
Net gain (loss) on hedge of net investment in foreign operations net of tax expense for the three months ended September 30 of nil and nil, respectively and net of tax expense for the nine months ended September 30 of nil and nil, respectively	**(300)**	(4,935)	**(10,553)**	6,726
Net gain (loss) on hedge of restricted share plan, net of tax expense (recovery) for the three months ended September 30 of ($1,326) and $485, respectively and net of tax expense for the nine months ended September 30 of $1,421 and $563, respectively	**(3,678)**	1,345	**3,940**	1,563
Net gain (loss) on interest rate swap, net of tax expense for the three months ended September 30 of nil and $29, respectively and net of tax expense (recovery) for the nine months ended September 30 of $315 and ($169), respectively	**-**	81	**872**	(467)
Net gain (loss) on foreign exchange forward contracts, net of tax expense (recovery) for the three months ended September 30 of nil and nil respectively, and net of tax expense (recovery) for the nine months ended September 30 of nil and nil respectively	**-**	36	**-**	-
	(4,456)	14,946	**31,887**	(18,645)
COMPREHENSIVE INCOME	**$ 91,170**	$ 83,683	**$ 212,330**	$ 97,309

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

Exchange Income Corporation

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited, in thousands of Canadian dollars)

						Retained Earnings				
	Share Capital	Convertible Debentures - Equity Component	Contributed Surplus - Matured Debentures	Deferred Share Plan	Non-Controlling Interests	Cumulative Earnings	Cumulative Dividends	Cumulative impact of share repurchases under NCIB	Accumulated Other Comprehensive Income (Loss)	**Total**
Balance, January 1, 2025	$ 1,377,171	$ 10,140	$ 17,150	$ 18,215	$ -	$ 921,423	$ (1,000,268)	$ (26,122)	$ 91,960	$ 1,409,669
Shares issued to acquisition vendors	10,839	-	-	-	-	-	-	-	-	10,839
Convertible debentures										
Converted into shares	215,804	(6,284)	-	-	-	-	-	-	-	209,520
Matured/Redeemed	-	(449)	449	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan (Note 10)	14,789	-	-	-	-	-	-	-	-	14,789
Shares issued under Indigenous community partnership agreements	176	-	-	-	-	-	-	-	-	176
Deferred share plan vesting (Note 14)	-	-	-	1,536	-	-	-	-	-	1,536
Shares issued under ESPP (Note 10)	2,959	-	-	-	-	-	-	-	-	2,959
Option issued for minority interest in subsidiary	-	-	-	-	5,000	-	-	-	-	5,000
Comprehensive income (loss)	-	-	-	-	-	115,954	-	-	(18,645)	97,309
Dividends declared (Note 11)	-	-	-	-	-	-	(102,182)	-	-	(102,182)
Balance, September 30, 2025	**$ 1,621,738**	**$ 3,407**	**$ 17,599**	**$ 19,751**	**$ 5,000**	**$ 1,037,377**	**$ (1,102,450)**	**$ (26,122)**	**$ 73,315**	**$ 1,649,615**
Balance, January 1, 2026	$ 1,733,521	$ -	$ 17,871	$ 20,286	$ 5,000	$ 1,088,943	$ (1,140,136)	$ (26,122)	$ 63,029	**$ 1,762,392**
Shares issued to acquisition vendors (Note 6)	11,663	-	-	-		-	-	-	-	**11,663**
Shares issued under dividend reinvestment plan (Note 10)	14,196	-	-	-	-	-	-	-	-	**14,196**
Deferred share plan vesting (Note 14)	-	-	-	2,088	-	-	-	-	-	**2,088**
Shares issued under ESPP (Note 10)	5,050	-	-	-	-	-	-	-	-	**5,050**
Option issued for minority interest in subsidiary	-	-	-	-	(5,000)	5,000	-	-	-	**-**
Comprehensive income (loss)	-	-	-	-	-	180,443	-	-	31,887	**212,330**
Dividends declared (Note 11)	-	-	-	-	-	-	(117,758)	-	-	**(117,758)**
Balance, September 30, 2026	**$ 1,764,430**	**$ -**	**$ 17,871**	**$ 22,374**	**$ -**	**$ 1,274,386**	**$ (1,257,894)**	**$ (26,122)**	**$ 94,916**	**$ 1,889,961**

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

Exchange Income Corporation

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, in thousands of Canadian Dollars)

	Three Months Ended		Nine months ended	
For the periods ended September 30	**2026**	2025	**2026**	2025
OPERATING ACTIVITIES				
Net earnings for the period	**$ 95,626**	$ 68,737	**$ 180,443**	$ 115,954
Items not affecting cash:				
Depreciation of capital assets	**98,147**	84,737	**271,585**	222,061
Amortization of intangible assets	**6,082**	6,084	**18,551**	18,344
Depreciation of right of use assets	**16,881**	12,612	**48,153**	34,074
Accretion of interest	**707**	1,390	**2,100**	4,141
Gain on disposal of capital assets	**(1,031)**	(409)	**(1,264)**	(1,760)
Deferred income tax expense	**15,760**	9,193	**27,835**	10,233
Deferred share program share-based vesting (Note 14)	**777**	536	**2,088**	1,536
Other	**-**	-	**(8,581)**	-
	232,949	182,880	**540,910**	404,583
Changes in non-cash current and long-term working capital (Note 16)	**4,762**	2,538	**(54,412)**	(37,035)
	237,711	185,418	**486,498**	367,548
FINANCING ACTIVITIES				
Proceeds from long-term debt, net of issuance costs (Note 8)	**91,638**	133,202	**486,010**	429,514
Repayment of long-term debt (Note 8)	**(58,000)**	(38,794)	**(941,888)**	(78,304)
Proceeds from issuance of senior unsecured notes, net of issuance costs (Note 9)	**-**	-	**596,764**	-
Payment of matured debentures	**-**	(7,803)	**-**	(15,377)
Principal payments on right of use lease liabilities	**(15,669)**	(13,668)	**(46,280)**	(35,526)
Issuance of shares, net of issuance costs	**5,576**	5,904	**19,247**	17,747
Cash dividends (Note 11)	**(40,053)**	(34,699)	**(117,758)**	(102,182)
	(16,508)	44,142	**(3,905)**	215,872
INVESTING ACTIVITIES				
Purchase of capital assets	**(214,630)**	(223,785)	**(563,706)**	(438,752)
Proceeds from disposal of capital assets	**23,221**	13,352	**88,511**	46,495
Purchase of intangible assets	**(3,642)**	(597)	**(5,096)**	(1,355)
Proceeds from (investment in) other assets	**10,975**	(7,449)	**12,291**	6,402
Cash outflow for acquisitions, net of cash acquired	**-**	(156,568)	**(44,916)**	(167,565)
Payment of contingent acquisition consideration and working capital settlements	**-**	2,260	**1,117**	(8,752)
	(184,076)	(372,787)	**(511,799)**	(563,527)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**37,127**	(143,227)	**(29,206)**	19,893
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**82,048**	230,791	**145,773**	71,797
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**1,703**	(5,744)	**4,311**	(9,870)
CASH AND CASH EQUIVALENTS, END OF PERIOD	**$ 120,878**	$ 81,820	**$ 120,878**	$ 81,820
Supplementary cash flow information				
Interest paid	**$ 35,779**	35,171	**85,318**	94,463
Income taxes paid	**$ 4,808**	12,015	**29,951**	37,099

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

(unaudited, in thousands of Canadian dollars, unless otherwise noted, except per share information and share data)

1. ORGANIZATION

Exchange Income Corporation ("EIC" or the "Corporation") is a diversified, acquisition-oriented corporation focused on opportunities in the Aerospace & Aviation and Manufacturing segments. The business plan of the Corporation is to invest in profitable, well-established companies with strong cash flows operating in niche markets. The Corporation is incorporated in Canada and the address of the registered office is 101 – 990 Lorimer Boulevard, Winnipeg, Manitoba, Canada R3P 0Z9. Through the Corporation's subsidiaries, products and services are provided in two business segments: Aerospace & Aviation and Manufacturing.

The Corporation's results are impacted by seasonality factors. The Aerospace & Aviation segment revenues have historically been the strongest in the second and third quarters when demand tends to be highest, relatively modest in the fourth quarter and the lowest in the first quarter due to weather impacts, and as certain communities serviced by certain of the airlines are less isolated with the use of winter roads for transportation during the winter. The Environmental Access Solutions business line is also subject to seasonal variability, where the second and third quarters have the highest demand, the fourth quarter is slower and the first quarter is the slowest. Certain of the Corporation's other Manufacturing segment subsidiaries also experience seasonal variability with the first quarter being the seasonally slowest.

2. BASIS OF PREPARATION

The Corporation prepares its interim condensed consolidated financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") – Part I as set out in the CPA Canada Handbook – Accounting ("CPA Handbook"). Part I of the CPA Handbook incorporates International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB") applicable to interim financial statements, including IAS 34, Interim Financial Reporting. These interim condensed consolidated financial statements are presented in thousands of Canadian dollars, except per share information and share data.

In accordance with IFRS Accounting Standards, these financial statements do not include all the financial statement disclosures required for annual financial statements and should be read in conjunction with the Corporation's annual consolidated financial statements for the year ended December 31, 2025. In management's opinion, the financial statements reflect all adjustments that are necessary for a fair presentation of the results for the interim period presented.

These interim condensed consolidated financial statements were approved by the Board of Directors of the Corporation for issue on November 12, 2026.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation used in the preparation of these interim condensed consolidated financial statements are the same as those followed in the most recent annual financial statements. Note 3 of the Corporation's 2025 audited financial statements includes a comprehensive listing of the Corporation's significant accounting policies, except as noted below.

In May 2024, the IASB issued narrow scope amendments to IFRS 7 – Financial Instruments: Disclosures and IFRS 9 – Financial Instruments. These amendments address matters identified during the post-implementation review of IFRS 9, specifically with respect to classification and measurement. The amendments clarify the requirements for the timing of the recognition and derecognition of certain financial assets and liabilities. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Corporation has adopted the amendments as of January 1, 2026 with no material impact to its interim condensed consolidated financial statements. The amendments were applied prospectively, and comparative information was not restated.

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements ("IFRS 18"), which will replace IAS 1 – Presentation of Financial Statements and will be accompanied by narrow scope amendments to IAS 7 – Statement of Cash Flows. IFRS 18 will introduce a defined structure for the statement of profit or loss and add disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. The standard will be effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 modifies the presentation of the Consolidated Statements of Income, with presentation of revenue and expenses within three categories – operating, investing and financing. During the period, the Corporation continued its IFRS 18 readiness assessment as it plans to adopt the standards on its effective date, January 1, 2027 retrospectively with a restatement of the comparative period. The Corporation expects to present new line items and subtotals within its Consolidated Statements

of Income, and new line items within its Consolidated Statements of Cash Flows, but does not expect an impact to net earnings, earnings per share, the Consolidated Statements of Financial Position, the Consolidated Statements of Comprehensive Income, or the Consolidated Statements of Changes in Equity. The Corporation has determined that Adjusted EBITDA and Adjusted Net Earnings meet the definition of management defined performance measures, and will therefore be subject to new disclosure requirements under IFRS 18.

4. EARNINGS BEFORE DEPRECIATION, AMORTIZATION, FINANCE COSTS, TAXES, AND OTHER

The Corporation presents, as an additional IFRS Accounting Standards measure, earnings before depreciation, amortization, finance costs, taxes, and other in the interim condensed consolidated statement of income to assist users in assessing financial performance. The Corporation's management and the Board use this measure to evaluate consolidated operating results and assess the ability of the Corporation to incur and service debt. In addition, this measure is used to make operating decisions as it is an indicator of the performance of the business and how much cash is being generated by the Corporation and assists in determining the need for additional cost reductions, evaluation of personnel, and resource allocation decisions. Earnings before depreciation, amortization, finance costs, taxes, and other is referred to as an additional IFRS Accounting Standards measure and may not be comparable to similar measures presented by other companies.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances.

The Corporation's liabilities for contingent consideration associated with its acquisitions are reassessed each period end subsequent to the related acquisition. The carrying value of the liability is based on an estimate of both the amount of the potential payment and probability that the earn out will be paid. During the first quarter of 2026, the estimated liability for additional purchase consideration associated with Canadian North was remeasured, resulting in a recovery of $8,581 and is included within "Other" in the Statement of Income.

Aside from the remeasurement of contingent consideration discussed above, there were no changes to the Corporation's critical accounting estimates and judgments from those described in the most recent annual financial statements.

6. ACQUISITIONS

MnM Aircraft Component Holdings Inc. ("Mach2")

On January 31, 2026, the Corporation acquired Mach2. Located in Pompano Beach Florida, Mach2 participates in the commercial segment of the global used aircraft serviceable material market.

The components of the consideration paid to acquire Mach2 are outlined in the table below.

Consideration given:	
Cash	**$ 45,606**
Issuance of 121,147 shares of the Corporation at $96.27 per share	**11,663**
Working capital settlement	**(1,117)**
Total purchase consideration	**$ 56,152**

The purchase price included an initial payment of cash and the issuance of common shares to the vendors, net of formal closing adjustments. The preliminary purchase price allocation is expected to be finalized in 2026 when the final settlement of working capital and other post-closing adjustments occur. The preliminary allocation of the purchase price included net working capital of $15,781, capital assets of $402 and preliminary goodwill of $39,633.

7. OTHER ASSETS

The other assets of the Corporation consist of the following:

	September 30 2026	December 31 2025
Long-term prepaid expenses and security deposits	**$ 5,217**	$ 5,388
Contract assets and long-term receivables	**4,547**	4,791
Equity method investments	**69,425**	78,760
Other investments - Fair value through OCI (Note 15)	**7,501**	8,043
Derivative financial instruments - Fair value through profit and loss (Note 15)	**49,192**	13,609
Total other assets	**$ 135,882**	$ 110,591

8. LONG-TERM DEBT

The following summarizes the Corporation's long-term debt as at September 30, 2026, and December 31, 2025:

	September 30 2026	December 31 2025
Revolving term facility:		
Canadian dollar amounts drawn	**$ 179,000**	$ 387,200
United States dollar amounts drawn (US$1,122,600 and US$1,307,243 respectively)	**1,592,745**	1,791,707
Total credit facility debt outstanding, principal value	**1,771,745**	2,178,907
less: unamortized transaction costs	**(5,036)**	(4,222)
Long-term debt	**$ 1,766,709**	$ 2,174,685

The Corporation's credit facility is unsecured, subject to customary terms, conditions, covenants, and other provisions, and includes both financial and negative covenants. The Corporation is in compliance with all financial and negative covenants as at September 30, 2026.

Interest expense recorded by the Corporation during the three and nine months ended September 30, 2026 for long-term debt was $23,513, and $73,804 respectively (2025 – $27,845 and $79,478 respectively).

On January 26, 2026, the Corporation amended its credit facility. The enhanced credit facility increased to $3.5 billion and its term was extended to January 26, 2030. The credit facility includes $2,857 million allocated to the Corporation's Canadian Head Office and US $460 million allocated to EIIF Management USA, Inc. The amount allocated to the Corporation's Canadian Head Office includes the continuation of the previously announced $200 million social loan tranche, which will be used to fund the purchase of new King Air aircraft at Carson Air for the long-term medevac contract with the Province of British Columbia. The $200 million social loan tranche permits the Corporation to draw on that portion of the facility as the new aircraft are delivered and modified for medical purposes.

Credit Facility

The following is the continuity of long-term debt for the nine months ended September 30, 2026:

	Nine months ended September 30, 2026				
	Opening	Withdrawals	Repayments	Exchange Differences	Ending
Credit facility amounts drawn					
Canadian dollar amounts	**$ 387,200**	**$ 115,500**	**$ (323,700)**	**$ -**	**$ 179,000**
United States dollar amounts	**1,791,707**	**418,406**	**(663,555)**	**46,187**	**1,592,745**
	$ 2,178,907				**$ 1,771,745**

In the table above, withdrawals and repayments include the impact of entering into cross currency swaps with members of the Corporation's lending syndicate whereby an exchange of Canadian and US denominated debt occurs. However for cash flow presentation purposes, such amounts are netted as they are part of an effective hedging relationship. More information on the cross currency swaps can be found in Note 15.

9. SENIOR UNSECURED NOTES

Series - Year of Issuance	Maturity	Interest Rate	Rating	Principal Value
Senior Unsecured Notes - March 2026	March 13, 2031	4.324%	BBB (low)	$ 600,000

The following summarizes the Corporation's senior unsecured notes as at September 30, 2026.

	September 30 2026	December 31 2025
Senior unsecured notes - March 2026 Issue	**600,000**	
Total senior unsecured notes outstanding (par value)	**600,000**	-
less: unamortized transaction costs	**(2,880)**	-
Senior unsecured notes	**$ 597,120**	$ -

On March 13, 2026, the Corporation completed an offering of $600,000 principal amount of senior unsecured notes. The notes bear interest at a rate of 4.324% per annum, payable semi-annually in arrears on March 13 and September 13 of each year, and mature on March 13, 2031.

Interest expense recorded by the Corporation during the three and nine months ended September 30, 2026 for senior unsecured notes was $6,669 and $14,547 respectively (2025 - $nil and $nil respectively).

10. SHARE CAPITAL

Changes in the shares issued and outstanding during the nine months ended September 30, 2026, are as follows:

	Number of Shares	2026 Amount
Share capital, beginning of period	**56,129,898**	**$ 1,733,521**
Issued under dividend reinvestment plan	**134,511**	**14,196**
Issued under employee share purchase plan (Note 14)	**44,784**	**5,050**
Shares issued to Mach2 vendors on closing (Note 6)	**121,147**	**11,663**
Share capital, end of period	**56,430,340**	**$ 1,764,430**

On March 30, 2026, the Corporation received approval from the TSX for the renewal of its NCIB to purchase up to an aggregate of 5,311,716 Common Shares, representing 10% of the issued and outstanding shares at March 23, 2026. Purchases of shares pursuant to the renewed NCIB can be made through the facilities of the TSX during the period commencing on April 1, 2026 and ending on March 31, 2027. The maximum number of shares that can be purchased by the Corporation daily is limited to 37,145 shares, other than block purchase exemptions.

During the nine months ended September 30, 2026, the Corporation did not make any purchases under its common share NCIB and therefore has the full 5,311,716 shares available for repurchase.

11. DIVIDENDS DECLARED

The Corporation pays cash dividends on or about the 15th of each month to shareholders of record on the last business day of the previous month. The Corporation's Board of Directors regularly examines the dividends paid to shareholders.

The amounts and record dates of the dividends during the nine months ended September 30, 2026, and the comparative 2025 period are as follows:

Month	Record date	Per Share	2026 Dividends Amount	Record date	Per Share	2025 Dividends Amount
January	January 30, 2026	**$ 0.23**	**$ 12,915**	January 31, 2025	$ 0.22	$ 10,983
February	February 27, 2026	**0.23**	**12,947**	February 28, 2025	0.22	11,276
March	March 31, 2026	**0.23**	**12,954**	March 31, 2025	0.22	11,291
April	April 30, 2026	**0.23**	**12,958**	April 30, 2025	0.22	11,299
May	May 29, 2026	**0.23**	**12,962**	May 30, 2025	0.22	11,312
June	June 30, 2026	**0.23**	**12,969**	June 30, 2025	0.22	11,322
July	July 31, 2026	**0.23**	**12,971**	July 31, 2025	0.22	11,349
August	August 31, 2026	**0.24**	**13,538**	August 29, 2025	0.22	11,407
September	September 29, 2026	**0.24**	**13,544**	September 29, 2025	0.22	11,943
Total		**$ 2.09**	**$ 117,758**		$ 1.98	$ 102,182

After September 30, 2026, and before these interim condensed consolidated financial statements were authorized, the Corporation declared a monthly dividend of $0.24 per share for October 2026.

12. SEGMENTED AND SUPPLEMENTAL INFORMATION

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Chief Executive Officer.

The Corporation's operating business segments include strategic business units that offer different products and services. The Corporation has two operating business segments: Aerospace & Aviation and Manufacturing. The Aerospace & Aviation segment provides essential

airline services to communities across Canada and also sells aircraft, engines, and aftermarket parts to airline operators around the world. In addition, the segment designs, modifies, maintains, and operates custom sensor-equipped aircraft. The Corporation's two flight schools provide pilot training services. Finally, our businesses deliver training solutions for governments across an array of aviation platforms and have in-depth experience in training pilots and sensor operators on both manned and unmanned aircraft. The Manufacturing segment consists of niche and specialty manufacturers in markets throughout Canada and the United States including engineering and precision metal manufacturing services, and the design, manufacture and installation of the exteriors of residential and mixed use high rises. In addition, the segment has in-house access mat manufacturing capabilities and rents and sells these solutions to customers.

The Corporation evaluates each segment's performance based on Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"). The Corporation's method of calculating Adjusted EBITDA may differ from that of other corporations and therefore may not be comparable to measures utilized by them. The Corporation's method of calculating Adjusted EBITDA is consistent with the Corporation's Earnings before Depreciation, Amortization, Finance Costs, Taxes, and Other presented in the interim condensed consolidated Statement of Income. All inter-segment and intra-segment transactions are eliminated, and all segment revenues presented in the tables below are from external customers.

"Head Office" used in the following segment tables is not a separate segment and is only presented to reconcile to the Corporation's total Adjusted EBITDA, certain statement of financial position amounts, and capital asset additions. It includes expenses incurred at the Head Office of the Corporation.

	Three Months Ended September 30, 2026			
	Aerospace & Aviation	**Manufacturing**	**Head Office**	**Consolidated**
Revenue	**$ 719,678**	**$ 337,770**	**$ -**	**$ 1,057,448**
Expenses	**476,788**	**275,350**	**17,607**	**769,745**
Adjusted EBITDA	**242,890**	**62,420**	**(17,607)**	**287,703**
Depreciation of capital assets				**98,147**
Amortization of intangible assets				**6,082**
Finance costs - interest				**30,182**
Depreciation of right of use assets				**16,881**
Interest expense on right of use lease liabilities				**3,105**
Acquisition costs				**2,093**
Earnings before income taxes				**131,213**
Current income tax expense				**19,827**
Deferred income tax expense				**15,760**
Net Earnings				**$ 95,626**

	Three Months Ended September 30, 2025			
	Aerospace & Aviation	Manufacturing	Head Office	Consolidated
Revenue	$ 680,477	$ 279,267	$ -	$ 959,744
Expenses	478,767	234,317	16,091	729,175
Adjusted EBITDA	201,710	44,950	(16,091)	230,569
Depreciation of capital assets				84,737
Amortization of intangible assets				6,084
Finance costs - interest				30,969
Depreciation of right of use assets				12,612
Interest expense on right of use lease liabilities				2,776
Acquisition costs				2,319
Earnings before income taxes				91,072
Current income tax expense				13,142
Deferred income tax expense				9,193
Net Earnings				$ 68,737

	Nine months ended September 30, 2026			
	Aerospace & Aviation	**Manufacturing**	**Head Office**	**Consolidated**
Revenue	**$ 1,977,246**	**$ 898,944**	**$ -**	**$ 2,876,190**
Expenses	**1,395,419**	**747,035**	**53,717**	**2,196,171**
Adjusted EBITDA	**581,827**	**151,909**	**(53,717)**	**680,019**
Depreciation of capital assets				**271,585**
Amortization of intangible assets				**18,551**
Finance costs - interest				**88,351**
Depreciation of right of use assets				**48,153**
Interest expense on right of use lease liabilities				**8,795**
Acquisition costs				**6,983**
Other (Note 5)				**(8,581)**
Earnings before income taxes				**246,182**
Current income tax expense				**37,904**
Deferred income tax expense				**27,835**
Net Earnings				**$ 180,443**

	Nine months ended September 30, 2025			
	Aerospace & Aviation	Manufacturing	Head Office	Consolidated
Revenue	$ 1,517,424	$ 830,524	$ -	$ 2,347,948
Expenses	1,066,232	701,024	42,751	1,810,007
Adjusted EBITDA	451,192	129,500	(42,751)	537,941
Depreciation of capital assets				222,061
Amortization of intangible assets				18,344
Finance costs - interest				91,617
Depreciation of right of use assets				34,074
Interest expense on right of use lease liabilities				6,963
Acquisition costs				7,723
Earnings before income taxes				157,159
Current income tax expense				30,972
Deferred income tax expense				10,233
Net Earnings				$ 115,949

	For the period ended September 30, 2026			
	Aerospace & Aviation	**Manufacturing**	**Head Office [1]**	**Consolidated**
Total assets	**$ 4,107,676**	**$ 1,575,400**	**$ 171,422**	**$ 5,854,498**
Net capital asset additions	**423,480**	**50,040**	**1,675**	**475,195**

	For the year ended December 31, 2025			
	Aerospace & Aviation	Manufacturing	Head Office [1]	Consolidated
Total assets	$ 3,627,292	$ 1,524,670	$ 109,715	$ 5,261,677
Net capital asset additions	588,811	33,613	283	622,707

Note 1) Includes corporate assets not directly attributable to operating segments. Such unallocated assets include corporate cash that is part of the Corporation's mirror banking arrangements.

Revenues

The following table provides disaggregated information about revenue from contracts with customers. Management believes that disaggregation by type of sale is most appropriate. The purpose of this disclosure is to provide information about the nature of the Corporation's contracts and the timing, amount, and uncertainties associated with customer contracts.

	Three Months Ended		Nine months ended	
Revenue Streams Periods ended September 30	**2026**	2025	**2026**	2025
Aerospace & Aviation Segment				
Sale and lease of goods - point in time	**$ 169,810**	$ 174,923	**$ 469,838**	$ 384,128
Sale of services - point in time	**528,460**	467,203	**1,422,365**	1,019,563
Sale of services - over time	**21,408**	38,351	**85,043**	113,733
Manufacturing Segment				
Sale and lease of goods - point in time	**148,399**	109,599	**379,804**	310,700
Sale of services - point in time	**27,353**	19,390	**59,954**	46,993
Sale of goods and services - over time	**162,018**	150,278	**459,186**	472,831
Total revenue	**$ 1,057,448**	$ 959,744	**$ 2,876,190**	$ 2,347,948

13. EARNINGS PER SHARE

Basic earnings per share for the Corporation is calculated by dividing the Net Earnings by the weighted average number of common shares outstanding during the period.

Diluted Net Earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume the conversion of all dilutive securities to common shares. The Corporation has one category of dilutive potential common shares; deferred shares under the Corporation's Deferred Share Plan. In the prior period, the Corporation had two categories of dilutive potential common shares: deferred shares under the Corporation's Deferred Share Plan and convertible debentures. For the convertible debentures, the convertible debt is assumed to have been converted into common shares and Net Earnings is adjusted to eliminate the interest expense from the convertible debt less the tax effect.

The computation for basic and diluted earnings per share for the three and nine months ended September 30, 2026 and the comparative for the 2025 period are as follows:

	Three Months Ended		Nine months ended	
Periods Ended September 30	**2026**	2025	**2026**	2025
Net earnings	**$ 95,626**	$ 68,737	**$ 180,443**	$ 115,954
Effect of dilutive securities				
Convertible debenture interest	**-**	2,296	**-**	8,923
Diluted Net Earnings	**$ 95,626**	$ 71,033	**$ 180,443**	$ 124,877
Basic weighted average number of shares	**56,403,990**	51,989,985	**56,334,129**	51,330,472
Effect of dilutive securities				
Deferred Shares	**1,131,611**	1,052,224	**1,131,611**	1,052,224
Convertible debentures	**-**	4,194,599	**-**	4,642,253
Diluted basis weighted average number of shares	**57,535,601**	57,236,808	**57,465,740**	57,024,949
Net Earnings per share:				
Basic	**$ 1.70**	$ 1.32	**$ 3.20**	$ 2.26
Diluted	**$ 1.66**	$ 1.24	**$ 3.14**	$ 2.19

14. EMPLOYEE BENEFITS

Deferred Share Plan

During the nine months ended September 30, 2026, the Corporation granted 49,737 (2025 – 41,136) deferred shares to certain personnel. The fair value of the deferred shares granted was $4,956 (2025 – $2,180) at the time of the grant and was based on the market price of the Corporation's shares at that time. During three and nine months ended September 30, 2026, the Corporation recorded a compensation expense of $777 and $2,088 respectively (2025 – $535 and $1,536 respectively), for the Corporation's Deferred Share Plan within the general and administrative expenses of Head Office.

Restricted Share Plan

During the nine months ended September 30, 2026, the Corporation granted 143,928 (2025 – 168,018) restricted shares to certain personnel. The fair value of the restricted share units granted was $11,731 (2025 – $9,416) at the time of the grant and was based on the market price of the Corporation's shares at that time. During the three and nine months ended September 30, 2026, the Corporation recorded compensation expense of $3,398 and $11,458 respectively (2025 – $2,675 and $7,516 respectively), for the Corporation's Restricted Share Plan within the general and administrative expenses of Head Office net of its restricted share plan hedge, with a corresponding liability recorded in Accounts Payable and Accrued Expenses.

Employee Share Purchase Plan

Certain employees of the Corporation participate in an Employee Share Purchase Plan ("ESPP"). Under the ESPP, employees make contributions of up to 5% of their base salaries to purchase Corporation shares out of treasury, and upon the employees remaining employed with the Corporation or its subsidiaries during an 18-month vesting period, they are entitled to receive an additional number of shares ("additional shares") equal to 33.3% of the number of shares they purchased and dividends declared on those additional shares over the vesting period. The cost of the award is recognized in Head Office expenses of the Corporation over the 18-month vesting period.

At the decision of the employee, any dividends paid on the additional shares over the vesting period are either paid to the employee in cash upon the shares vesting or are used to purchase shares.

During the nine months ended September 30, 2026, employees acquired 44,784 (2025 - 53,345) shares from treasury at a weighted average price of $112.76 (2025 - $55.45) per share. The grant date fair value of the shares that will be awarded upon the vesting conditions of the plan being attained is estimated at $1,676 based on the share price and monthly dividend rate at that time.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Corporation's activities expose it to a variety of financial risks: market risk (primarily currency, interest rate risk, and other price risk), credit risk, and liquidity risk. Senior management is responsible for setting acceptable levels of risk and reviewing risk management activities as necessary. The following describes the risk management areas that have significantly changed from those described in the December 31, 2025, audited consolidated financial statements.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency, interest rate, and other price risk.

Currency Risk

The Corporation has US $1,122,600 or $1,592,745 (December 31, 2025 – US $1,307,243 or $1,791,707) outstanding on its credit facility. The outstanding funds in US dollars result in currency risk that the future cash flows will fluctuate with the changes in market currency rates. The exposure for the US dollar portion of its credit facility outstanding is offset by the cash generated through the operations of its US based subsidiaries. Of the total US dollar credit facility drawn, US $298,200 (December 31, 2025 – US $279,043) is drawn by EIIF Management USA, Inc., an entity that uses US dollars as its functional currency. Therefore, the currency risk on this balance is recognized in other comprehensive income.

The Corporation's investment in those subsidiaries with US dollar functional currencies are hedged partially by US $221,700 (December 31, 2025 – US $211,000) of credit facility draws, which mitigates the foreign currency translation risk arising from the subsidiary's net assets. The loan is designated as a net investment hedge and no ineffectiveness was recognized from the net investment hedge.

During the period, the Corporation continued the use of derivatives through several cross-currency basis swaps ("swap") with a member of the Corporation's lending syndicate. The swap requires that funds are exchanged back in one month at the same terms unless both parties agree to extend the swap for an additional month. By borrowing in US dollars, the Corporation is able to take advantage of lower interest rates. The swap mitigates the risk of changes in the value of the Corporation's US dollar borrowings as they will be exchanged for the same Canadian equivalent in one month. The swap is designated as a hedge of the underlying debt instrument and no ineffectiveness was recognized. The fair value of the swaps at September 30, 2026, was a financial asset of $15,511 (December 31, 2025 – financial liability of $4,346). At September 30, 2026, the notional value of the swaps outstanding is US $602,700 (December 31, 2025 – US $817,200). Hedging gains and losses are reclassified from other comprehensive income to the interim condensed consolidated statement of income to the extent effective. Accordingly, $15,511 was reclassified from other comprehensive income in 2026 (2025 – ($4,346)). No hedge ineffectiveness was recorded during 2026 or 2025.

Interest Rates

The Corporation is subject to the risk that future cash flows associated with the credit facility outstanding (Note 8) will fluctuate due to fluctuations in interest rates. The Corporation manages this risk and seeks financing terms in individual arrangements that are most advantageous.

The terms of the credit facility allow for the Corporation to choose the base interest rate between Prime, Canadian Overnight Repo Rate Average ("CORRA"), or the Secured Overnight Financing Rate ("SOFR"). At September 30, 2026:

- US $1,122,600 (December 31, 2025 – US $1,300,100) was outstanding under SOFR;
- Nil (December 31, 2025 – US $7,143) was outstanding under US Prime; and
- $179,000 (December 31, 2025 – $387,200) was outstanding under CORRA.

The interest rate of the senior unsecured notes (Note 9) is fixed at 4.324% per annum.

The Corporation's interest rate swaps matured during the period and were not renewed (December 31, 2025 – other long-term financial liability of $1,187).

Other Price Risk

The Corporation's Restricted Share Plan is a cash settled plan. Participants are awarded restricted shares and the payment to the participants at the end of the vesting period fluctuates based on the change in the Corporation's share price from the grant date to the vesting date.

To mitigate the income statement impact of a change in the Corporation's share price, the Corporation entered into derivative instruments for each of the 2024, 2025 and 2026 Restricted Share Plan grants, which fixes the cost of the plan for the Corporation. Any changes in fair value will either be paid to the counterparty or be paid to the Corporation by the counterparty at the vesting date. These derivative instruments fix the cost to the Corporation and do not impact the variability of the award received by the participant. The derivative financial instruments hedge the exposure to variability in cash flow associated with the future settlement of restricted shares issued under the Restricted Share Plan that would impact profit or loss and therefore qualify as cash flow hedges. On a combined basis, the initial grant date fair value for the 2024, 2025 and 2026 programs was $30,540. The fair value of the instruments are recorded in long-term financial asset of $33,681 (December 31, 2025 – long-term financial asset of $13,609) and are recorded as a separate line within other comprehensive income.

Fair Value of Financial Instruments

The following table provides fair value information about financial assets and liabilities in the consolidated balance sheet and categorized by level according to the significance of the inputs used in making the measurements and their related classifications:

		Fair Value		
Recurring fair value measurements	Carrying Value September 30, 2026	Quoted prices in an active market Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Financial Assets				
Other long-term assets - Cross currency basis swap - Financial asset at fair value through profit and loss (Note 7)	$ 15,511	$ -	$ 15,511	$ -
Other long-term assets - Restricted Share Plan Hedge - Financial asset at fair value through profit and loss (Note 7)	33,681	-	33,681	-
Other long-term assets - Fair value through OCI (Note 7)	7,501	-	-	7,501
Financial Liabilities				
Consideration liabilities - Financial liability at fair value through profit and loss	(5,826)	-	-	(5,826)
Fair Value Disclosures				
Other assets - Amortized cost	9,764	-	5,264	4,500
Long-term debt - Amortized cost	(1,766,709)	-	-	(1,771,745)
Senior Unsecured Notes- Amortized cost	(597,120)	-	-	(600,000)

		Fair Value		
	Carrying Value	Quoted prices in an active market	Significant other observable inputs	Significant unobservable inputs
Recurring fair value measurements	December 31, 2025	Level 1	Level 2	Level 3
Financial Assets				
Other long-term assets - Restricted Share Plan Hedge - Financial asset at fair value through profit and loss (Note 7)	13,609	-	13,609	-
Other long-term assets - Fair value through OCI (Note 7)	8,043	-	-	8,043
Financial Liabilities				
Consideration liabilities - Financial liability at fair value through profit and loss	(14,146)	-	-	(14,146)
Other long-term liabilities - Cross-currency basis swap - Financial liability at fair value through profit and loss	(4,346)	-	(4,346)	-
Other long-term liabilities - Interest Rate Swap - Financial liability at fair value through OCI	(1,187)	-	(1,187)	-
Fair Value Disclosures				
Other assets - Amortized cost	8,708	-	3,708	5,000
Long-term debt - Amortized cost	(2,174,685)	-	-	(2,178,907)

The Corporation valued the level 3 consideration liabilities based on the present value of estimated cash outflows using probability weighted calculations, discount rates, and the observable fair market value of its equity, as applicable.

The following table summarizes the changes in the consideration liabilities recorded on the acquisitions of BVGlazing, Duhamel, and Canadian North including any changes for settlements, changes in fair value, and changes due to foreign currency fluctuations:

Consideration Liability Summary	**September 30**	December 31
For the periods ended	**2026**	2025
Opening balance	**$ 14,146**	$ 17,729
Accretion	**261**	402
Change in estimate (Note 5)	**(8,581)**	-
Acquisition of Canadian North	**-**	8,275
Settled during the period	**-**	(11,452)
Foreign exchange (gain) and other	**-**	(808)
Ending balance	**$ 5,826**	$ 14,146

The liabilities for contingent consideration recorded as part of the acquisitions are included in Other Long-Term Liabilities in the Statement of Financial Position unless they are expected to be settled within a year. The remaining consideration liabilities, primarily consisting of estimated working capital settlements, are recorded within Accounts Payable and Accrued Expenses in the interim condensed consolidated Statement of Financial Position. The fair value of each earn out liability is determined at the time of the acquisition and uses several estimates. At the end of each reporting period, the Corporation reviews these estimates for reasonableness and makes any required adjustments to the carrying value of the liability.

During the period, the estimated liability for additional purchase consideration associated with Canadian North was remeasured, resulting in a recovery of $8,581 and is included within “Other” in the Statement of Income.

Financial Instrument Fair Value Disclosures

The fair values of cash and cash equivalents, accounts receivable, deposits, accounts payable, and accrued expenses approximate their carrying values due to their short-term nature.

As at September 30, 2026, management had determined that the fair value of its long-term debt and senior unsecured notes approximate their carrying value. The fair value of long-term debt and senior unsecured notes have been calculated by discounting the expected future cash flows using a range of discount rates between 4.75% - 5.15%. The discount rate range is determined by using a risk-free benchmark bond yield for instruments of similar maturity adjusted for the Corporation's specific credit risk. In determining the adjustment for credit risk, the Corporation considers market conditions, the underlying value of assets secured by the associated instrument, and other indicators of the Corporation's creditworthiness.

The Corporation's policy is to recognize transfers in and out of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer. There were no such transfers during the current period.

16. CHANGES IN WORKING CAPITAL

The changes in non-cash operating working capital during the three and nine months ended September 30, 2026, and the comparative period in 2025 are as follows:

	Three Months Ended		Nine months ended	
Periods Ended September 30	**2026**	2025	**2026**	2025
Accounts receivable, including long-term portion	**$ (51,016)**	$ (33,407)	**$ (89,582)**	$ (39,262)
Amounts due from customers on construction contracts	**(17,166)**	(7,136)	**(24,484)**	(12,802)
Inventories	**(51,122)**	(9,768)	**(120,601)**	(30,877)
Prepaid expenses and deposits, including long-term portion	**8,689**	9,019	**(38,564)**	(12,423)
Accounts payable and accrued expenses, including long-term portion	**82,805**	38,514	**149,444**	36,810
Income taxes receivable/payable	**15,725**	1,315	**8,660**	(6,465)
Deferred revenue, including long-term portion	**17,818**	2,396	**43,327**	12,300
Amounts due to customers on construction contracts	**(971)**	1,605	**17,388**	15,684
Net change in working capital	**$ 4,762**	$ 2,538	**$ (54,412)**	$ (37,035)

17. SUBSEQUENT EVENTS

Acquisition of TerraPro Inc.

On October 22, 2026, subsequent to the end of the period, the Corporation completed the acquisition of TerraPro, for a purchase price of $30 million, subject to customary post-closing adjustments. The purchase price was funded by cash in the amount of $29.5 million from the Corporation's credit facility and $0.5 million in EIC common shares to TerraPro shareholders. TerraPro is a fully integrated access-matting platform providing services across Western Canada, which is supported by its internal mat manufacturing capabilities, matting fleet, and specialized equipment.

Acquisition of Cartel Communication Systems Inc.

On November 1, 2026, subsequent to the end of the period, the Corporation completed the acquisition of Cartel Communication Systems Inc. ("Cartel"), for a purchase price of $15 million, subject to customary post-closing adjustments. The purchase price was funded by cash in the amount of $12.75 million from the Corporation's credit facility and $2.25 million in EIC common shares. Cartel, located in Langley, British Columbia, designs, installs and services dedicated wireless coverage systems that help maintain reliable mobile and emergency responder communications in areas where conventional wireless coverage can be limited.