February 11, 2026

Unaudited Interim Condensed Consolidated Financial Statements

For the three months ended December 31, 2025

CALIAN

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CALIAN GROUP LTD.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at December 31, 2025 and September 30, 2025
(Canadian dollars in thousands, except per share data)

	NOTES	December 31, 2025	September 30, 2025
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		$ 62,636	$ 46,101
Accounts receivable		175,002	171,150
Work in process	4	23,615	25,028
Inventory		28,009	27,709
Prepaid expenses and other		32,573	22,977
Derivative assets	16	186	44
Total current assets		322,021	293,009
NON-CURRENT ASSETS			
Property, plant and equipment	5	44,980	45,508
Right of use assets	6	37,718	39,786
Prepaid expenses		5,813	6,015
Deferred tax asset		1,598	1,614
Investments		4,252	4,252
Acquired intangible assets	7	103,649	106,833
Goodwill	9	230,481	224,483
Total non-current assets		428,491	428,491
TOTAL ASSETS		$ 750,512	$ 721,500
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		$ 131,755	$ 133,096
Provisions		3,138	3,458
Unearned contract revenue	4	44,290	39,646
Lease obligations	6	5,671	5,819
Contingent earn-out	19	10,177	16,147
Derivative liabilities	16	272	53
Total current liabilities		195,303	198,219
NON-CURRENT LIABILITIES			
Debt facility	10	164,750	130,750
Lease obligations	6	35,972	37,634
Unearned contract revenue	4	13,931	14,704
Deferred tax liabilities		18,563	18,912
Total non-current liabilities		233,216	202,000
TOTAL LIABILITIES		428,519	400,219
SHAREHOLDERS' EQUITY			
Issued capital	11	224,472	220,345
Contributed surplus		5,322	7,312
Retained earnings		86,262	84,360
Accumulated other comprehensive income		5,937	9,264
TOTAL SHAREHOLDERS' EQUITY		321,993	321,281
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 750,512	$ 721,500
Number of common shares issued and outstanding		11,414,163	11,350,168

The accompanying notes are an integral part of the unaudited interim condensed financial statements. Refer to note 11 for events that occurred subsequent to December 31, 2025.

CALIAN GROUP LTD.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF NET PROFIT
For the three months ended December 31, 2025 and 2024
(Canadian dollars in thousands, except per share data)

	NOTES	Three months ended December 31, 2025	Three months ended December 31, 2024
Revenue	13	$ 208,000	$ 185,047
Cost of revenues		137,097	126,246
Gross profit		**70,903**	**58,801**
Selling, general and administrative		45,818	38,105
Research and development		2,270	2,896
Share-based compensation	12	1,012	1,091
Profit before under noted items		**21,803**	**16,709**
Restructuring expense		419	692
Depreciation and amortization	8	11,005	11,540
Mergers and acquisition costs	18	1,018	2,320
Profit before interest and income tax expense		**9,361**	**2,157**
Interest expense		2,216	1,783
Income tax expense		2,048	1,350
NET PROFIT (LOSS)		**$ 5,097**	**$ (976)**
Net profit (loss) per share:			
Basic	14	$ 0.45	$ (0.08)
Diluted	14	$ 0.44	$ (0.08)

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

CALIAN GROUP LTD.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three months ended December 31, 2025 and 2024
(Canadian dollars in thousands)

	Three months ended December 31,	
	2025	**2024**
NET PROFIT (LOSS)	$ 5,097	$ (976)
Cumulative translation adjustment	(3,680)	6,726
Change in deferred gain (loss) on derivatives designated as cash flow hedges net of tax of $127 and $348 for the three months ended December 31, 2025 and 2024, respectively.	353	(964)
Other comprehensive income (loss), net of tax	(3,327)	5,762
COMPREHENSIVE INCOME	**$ 1,770**	**$ 4,786**

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

CALIAN GROUP LTD.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended December 31, 2025 and 2024
(Canadian dollars in thousands, except per share data)

	NOTES	Issued capital	Contributed surplus	Retained earnings	Other comprehensive income	Total
Balance October 1, 2025		**$ 220,345**	**$ 7,312**	**$ 84,360**	**$ 9,264**	**$ 321,281**
Net profit and comprehensive income		—	—	5,097	(3,327)	1,770
Dividend paid ($0.28 per share)		—	—	(3,195)	—	(3,195)
Shares issued under employee share plans	11	2,834	(2,834)	—	—	—
Shares issued under employee share purchase plan	12	545	—	—	—	545
Share-based compensation expense	12	—	844	—	—	844
Change in obligation related to share repurchase	11	748	—	—	—	748
Balance December 31, 2025		**$ 224,472**	**$ 5,322**	**$ 86,262**	**$ 5,937**	**$ 321,993**

	NOTES	Issued capital	Contributed surplus	Retained earnings	Other comprehensive income	Total
Balance October 1, 2024		**$ 225,747**	**$ 6,019**	**$ 91,268**	**$ 3,721**	**$ 326,755**
Net profit (loss) and comprehensive income		—	—	(976)	5,762	4,786
Dividend paid ($0.28 per share)		—	—	(3,292)	—	(3,292)
Share repurchase	11	(1,964)	—	(2,962)	—	(4,926)
Shares issued under employee share plans	11	2,779	(2,381)	—	—	398
Shares issued under employee share purchase plan	12	654	—	—	—	654
Share-based compensation expense	12	—	917	—	—	917
Change in obligation related to share repurchase	11	345	—	—	—	345
Balance December 31, 2024		**$ 227,561**	**$ 4,555**	**$ 84,038**	**$ 9,483**	**$ 325,637**

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

CALIAN GROUP LTD.
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended December 31, 2025 and 2024
(Canadian dollars in thousands)

	NOTES	Three months ended December 31, 2025	2024
CASH FLOWS GENERATED FROM (USED IN) OPERATING ACTIVITIES			
Net profit (loss)		$ 5,097	$ (976)
Items not affecting cash:			
Interest expense		1,694	1,295
Changes in fair value related to contingent earn-out	19	100	558
Lease obligations interest expense	6	522	488
Income tax expense		2,048	1,350
Share-based compensation expense	11	1,012	1,091
Depreciation and amortization	8	11,005	11,540
Deemed compensation	17, 18, 19	339	1,563
		21,817	16,909
Change in non-cash working capital			
Accounts receivable		(2,449)	(167)
Work in process		1,413	232
Prepaid expenses and other		(10,217)	(2,739)
Inventory		(300)	(6,241)
Accounts payable and accrued liabilities		(332)	(858)
Unearned contract revenue		3,871	1,294
		13,803	8,430
Interest paid		(2,216)	(1,783)
Income tax paid		(4,420)	(2,265)
		7,167	4,382
CASH FLOWS GENERATED FROM (USED IN) FINANCING ACTIVITIES			
Issuance of common shares net of costs	11, 12	376	881
Repurchase of common shares	11	—	(4,926)
Dividends		(3,195)	(3,292)
Net draw on debt facility	10	34,000	26,000
Payment of lease obligations	6	(1,599)	(1,442)
		29,582	17,221
CASH FLOWS USED IN INVESTING ACTIVITIES			
Business acquisitions	17, 19	(18,184)	(11,215)
Property, plant and equipment	5	(2,030)	(1,136)
		(20,214)	(12,351)
NET CASH INFLOW (OUTFLOW)		$ 16,535	$ 9,252
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		46,101	51,788
CASH AND CASH EQUIVALENTS, END OF PERIOD		$ 62,636	$ 61,040

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

1. Basis of Preparation

Calian Group Ltd. ("the Company") is incorporated under the Canada Business Corporations Act. The address of its registered office and principal place of business is 770 Palladium Drive, Ottawa, Ontario K2V 1C8. The Company's capabilities are diverse with services and solutions delivered through two segments: Defence & Space and Essential Industries. Headquartered in Ottawa, Calian provides business services and solutions to both industry and government customers in the areas of defence, aerospace, satellite communications (satcom), health, learning, security, engineering, nuclear, AgTech, and IT.

Statement of compliance

These unaudited interim condensed consolidated financial statements are expressed in Canadian dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). These unaudited interim condensed consolidated financial statements have been prepared using accounting policies consistent with the International Financial Reporting Standards ("IFRS") and in accordance with the accounting policies the Company adopted in its annual consolidated financial statements for the year ended September 30, 2025, and should be read in conjunction with the audited consolidated financial statements and notes thereto. Effective October 1, 2025, the Company had a change in it's reporting segments, which is discussed further in note 15. These unaudited interim condensed consolidated financial statements do not include all of the information required in annual financial statements.

These consolidated financial statements were approved by the Board of Directors on February 11, 2026.

2. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods presented. Actual results could differ from those estimates.

There were no other significant changes in estimates or approaches in the current period when compared to the estimates or approaches used to prepare the annual consolidated financial statements for the year ended September 30, 2025.

3. Seasonality

The results of operations for the interim periods are not necessarily indicative of the results of operations for the full year. The Company's revenues and earnings have historically been subject to quarterly seasonality due to the timing of vacation periods, statutory holidays, industry specific seasonal cycles and the timing and delivery of milestones for significant projects.

4. Contract Assets and Liabilities

The following table presents net contract liabilities as at:

	Net Contract Liabilities	
	December 31, 2025	September 30, 2025
Work in process	$ 23,615	$ 25,028
Unearned contract revenue (current)	(44,290)	(39,646)
Unearned contract revenue (non-current)	(13,931)	(14,704)
Net contract liabilities	$ (34,606)	$ (29,322)

The following table presents changes in net contract liabilities for three months ended December 31, 2025, and twelve months ended September 30, 2025:

	Changes in Net Contract Liabilities	
	December 31, 2025	September 30, 2025
Opening balance, October 1	$ (29,322)	$ (35,789)
Revenue recognized for net contract liabilities	31,824	146,345
Billings	(37,108)	(139,878)
Ending balance	$ (34,606)	$ (29,322)

5. Property, Plant and Equipment

A continuity of the main components included in property, plant and equipment for the three months ended December 31, 2025 is as follows:

	Cost				Depreciation		Carrying Value	
	Cost	Additions/ Disposals	Acquisitions (Note 17)	Total	Depreciation	Accumulated Depreciation	December 31, 2025	September 30, 2025
Leasehold improvements	$ 5,256	$ 8	$ 2	$ 5,266	$ (67)	$ (3,341)	$ 1,925	$ 1,984
Land and Building	6,295	(15)	—	6,280	(36)	(115)	6,165	6,216
Equipment	71,706	1,323	21	73,050	(2,214)	(47,522)	25,528	26,140
Application software	16,928	211	—	17,139	(359)	(8,904)	8,235	8,382
Capitalized research and development	6,555	428	—	6,983	(14)	(4,918)	2,065	1,650
Intellectual property rights	1,482	—	—	1,482	(74)	(420)	1,062	1,136
Total	$ 108,222	$ 1,955	$ 23	$ 110,200	$ (2,764)	$ (65,220)	$ 44,980	$ 45,508

Additions in the table above are net of disposals in the amount of $95 ($117) for the three months ended December 31, 2025 (2024). The Company recognized foreign exchange of $(385) ($2,278) in the cost and $202 ($(633)) in the accumulated depreciation of equipment in the three months ended December 31, 2025 (2024).

6. Right of Use Assets and Lease Obligations

The following table presents the right of use assets for the Company:

	Total Right of Use Assets Three months ended	
	December 31, 2025	December 31, 2024
Balance at October 1	$ 39,786	$ 36,383
Additions	—	5,656
Disposals and foreign exchange adjustments	(415)	1,324
Depreciation	(1,857)	(1,617)
Acquisitions (Note 17)	204	—
	$ 37,718	$ 41,746

The Company's leases are for land, office, and manufacturing space. The Company has included renewal options in the measurement of lease obligations when it is reasonably certain to exercise the renewal option.

The following table presents lease obligations for the Company:

	Total Lease Obligations Three months ended	
	December 31, 2025	December 31, 2024
Balance at October 1	$ 43,453	$ 39,443
Additions	—	5,420
Disposals and foreign exchange adjustments	(415)	1,560
Principal and interest payments	(2,121)	(1,930)
Lease interest expense	522	488
Acquisitions (Note 17)	204	—
	$ 41,643	$ 44,981
Current	$ 5,671	$ 5,556
Non-current	35,972	39,425
Total	$ 41,643	$ 44,981

The following table presents the contractual undiscounted cash flows for lease obligations as at December 31, 2025:

	Total Undiscounted Lease Obligations
Less than one year	$ 7,013
One to five years	22,436
More than five years	23,654
Total undiscounted lease obligations	$ 53,103

Total cash outflow for leases in the three months ended December 31, 2025 (2024) is $2,121 ($1,930), including principal payments relating to lease obligations of $1,599 ($1,442), interest expense on lease obligations is $522 ($488). Expenses relating to short-term leases recognized in general and administration expenses was $27 ($36) for the three months ended December 31, 2025 (2024).

7. Acquired Intangible Assets

A continuity of the acquired intangible assets for the three months ended December 31, 2025 is as follows:

	December 31, 2025				
	Opening Balance	Additions (Note 17)	Amortization	Foreign Exchange Revaluation	Closing Balance
Customer relationships	$ 102,128	$ 4,942	$ (5,865)	$ (1,742)	$ 99,463
Discrete contracts with customers & non-competition agreements	71	—	(20)	—	51
Technology and trademarks	4,634	—	(499)	—	4,135
	$ 106,833	$ 4,942	$ (6,384)	$ (1,742)	$ 103,649

In the three months ended December 31, 2025 the Company recorded a foreign currency revaluation of intangible assets held in foreign subsidiaries which utilize different functional currencies than the Company's presentation currency. These foreign exchange revaluations are reflected in comprehensive income.

A continuity of the acquired intangible assets for the year ended September 30, 2025 is as follows:

	September 30, 2025				
	Opening Balance	Additions (Note 17)	Amortization	Foreign Exchange Revaluation	Closing Balance
Customer relationships	$ 118,482	$ 6,100	$ (23,549)	$ 1,095	$ 102,128
Discrete contracts with customers & non-competition agreements	1,862	—	(1,791)	—	71
Technology and trademarks	7,909	—	(3,275)	—	4,634
	$ 128,253	$ 6,100	$ (28,615)	$ 1,095	$ 106,833

8. Depreciation and Amortization

The following table presents the depreciation and amortization for the Company for the three months ended December 31, 2025 (2024):

	NOTES	Three months ended December 31, 2025		Three months ended December 31, 2024	
Depreciation of property, plant and equipment	5	$	2,764	$	2,589
Depreciation of right of use assets	6		1,857		1,617
Amortization of acquired intangible assets	7		6,384		7,334
		$	11,005	$	11,540

9. Goodwill

The following table presents the goodwill for the Company for the three months ended December 31, 2025:

		December 31, 2025
Opening balance, October 1	$	224,483
Additions:		
Acquisition of InField Scientific Inc. (Note 17)		6,852
Adjustments:		
Foreign Exchange		(854)
	$	230,481

In the three months ended December 31, 2025 the Company recorded a foreign currency revaluation of goodwill held in foreign subsidiaries which utilize different functional currencies than the Company's presentation currency. These foreign exchange revaluations are reflected in comprehensive income.

There were no changes to the Company's identified cash generating units (CGUs) in the three months ended December 31, 2025. The grouping of CGUs have changed in the current year. The change in the grouping of CGUs corresponds with the change in operating segment that is described in note 15.

The following table presents the goodwill for the Company for the three months ended December 31, 2024:

		December 31, 2024
Opening balance, October 1	$	210,392
Foreign Exchange		3,533
	$	213,925

10. Debt Agreement

On September 29, 2025, the Company signed an amended debt facility that provides the Company with the ability to draw up to $200,000 CAD and an accordion feature of up to $150,000 CAD. The agreement has a three year term, which will mature on September 29, 2028. At December 31, 2025 (September 30, 2025), the Company utilized $164,750 ($130,750) of the facility. The facility is secured against the Company's assets and is interest bearing at the Royal Bank of Canada's Prime Rate plus applicable margin. As at December 31, 2025 the Company is in compliance with all applicable covenants under the debt facility.

Changes in debt for the three months ended December 31, 2025 (2024) were as follows:

	Three months ended	
	December 31, 2025	December 31, 2024
Balance October 1	$ 130,750	$ 89,750
Draws	76,000	36,000
Repayments	(42,000)	(10,000)
Balance December 31	$ 164,750	$ 115,750

11. Issued Capital and Reserves

Issued Capital

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. The holders of Common Shares are entitled to dividends if, as and when declared by the Board, to one vote per share at the meetings of holders of Common Shares and, upon liquidation, to receive such assets of the Company as are distributable to the holders of the Common Shares. No Preferred Shares are outstanding as of December 31, 2025.

Common shares issued and outstanding:

	December 31, 2025		December 31, 2024	
	Shares	Amount	Shares	Amount
Balance October 1	11,350,168	$ 220,345	11,802,364	$ 225,747
Shares issued under employee share plans	53,060	2,834	50,394	2,779
Shares issued under employee share purchase plan	10,935	545	13,647	654
Shares issued through acquisition	—	—	—	—
Shares repurchased	—	—	(101,350)	(1,964)
Change in obligation related to share repurchase	—	748	—	345
Issued capital	11,414,163	$ 224,472	11,765,055	$ 227,561

On September 1, 2024, the Company entered into a normal course issuer bid ("NCIB") where the Company was approved to purchase up to 995,904 shares during the 12-month period commencing September 1, 2024 and ending August 31, 2025. On September 1, 2025, the Company renewed the NCIB plan, approving the Company to purchase up to 796,283 shares during the 12-month period commencing September 1, 2025 and ending August 31, 2026. During the three months ended December 31, 2025 (2024), the Company repurchased and cancelled nil (101,350) common shares for total cash consideration of nil ($4,926) at an average purchase price per share of nil ($48.60).

11. Issued Capital and Reserves (continued)

The Company has entered into an automatic share purchase plan ("ASPP") to provide the option to instruct its broker to make purchases under the NCIB during any applicable blackout periods. As at December 31, 2025 (September 30, 2025), an obligation for the repurchase of shares of $1,972 ($2,720) was recognized as an accrued liability.

Subsequent to the date of the statement of financial position, on February 11, 2026, the Company declared a dividend of $0.28 per common share payable on March 11, 2026 payable to shareholders on record as at February 25, 2026.

Contributed Surplus

Contributed surplus comprises the value of share-based compensation expense related to options granted that have not been exercised or have expired unexercised.

12. Share-Based Compensation

Employee Share Purchase Plan

Under the Company's Employee Share Purchase Plan, shares are issued monthly using the volume weighted average price for the last 5 days of the month for the contributions made by employees in that month. The Company provides matching shares at 25% for all employee contributions each month. Pursuant to the plan, 500,000 Common Shares are reserved for issuance, as of December 31, 2025 (2024), the Company can issue 249,700 (301,839) shares.

During the three months ended December 31, 2025 (2024) under the 2020 Employee Share Purchase Plan, the Company issued 10,935 (13,647) shares at an average price of $49.83 ($47.87). The Company received $677 ($695) in proceeds and recorded an expense of $169 ($174).

Stock Options

The Company has an established stock option plan. Under the plan, eligible directors and employees are granted the right to purchase shares of common stock at a price established by the Board of Directors on the date the options are granted but in no circumstances below fair market value of the shares at the date of grant. Stock options are issued at market value based on the price at the date preceding the grant, and can have a contractual term of up to ten years and generally vest over 3 years. The maximum number of common shares reserved for issuance under the plan is equal to an aggregate 7% (798,991) of the Company's issued and outstanding shares from time to time less the aggregate number of shares reserved for issuance or issuable under any other security-based compensation arrangement for the Company.

As at December 31, 2025 (2024), the Company has 485,419 (512,263) stock options and restricted share units ("RSUs") outstanding. As a result, the Company could grant up to 313,572 (311,291) additional stock options or RSUs pursuant to the plan.

The weighted average fair value of options granted during the three months ended December 31, 2025 (2024) was $10.23 ($9.74) per option calculated using the Black-Scholes option pricing model. Where relevant, the expected life of the options was based on historical data for similar issuances and adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations. Expected volatility is based on historical price volatility over the past 5 years. To allow for the effects of early exercise, it was assumed that options would be exercised on average 3 years after vesting.

12. Share-Based Compensation (continued)

The following assumptions were used to determine the fair value of the options granted in the three months ended December 31, 2025 (2024):

	Weighted Average Options Granted			
	December 31, 2025		December 31, 2024	
Grant date share price	$	48.61	$	48.76
Exercise price	$	48.61	$	48.76
Expected price volatility	%	30.44	%	27.4
Expected option life	yrs	3.61	yrs	3.54
Expected dividend yield	%	2.30	%	2.30
Risk-free interest rate	%	2.40	%	3.22
Forfeiture rate	%	—	%	—

The following table summarizes information about the options for the three months ended December 31, 2025 (2024):

	December 31, 2025			December 31, 2024		
	Number of Options	Weighted Avg. Exercise Price		Number of Options	Weighted Avg. Exercise Price	
Outstanding October 1	164,491	$	55.09	220,410	$	57.84
Exercised	—		—	(11,000)		36.49
Expired	(21,222)		61.16	—		—
Granted	43,924		48.61	51,241		48.76
Outstanding December 31	187,193	$	52.89	260,651	$	56.95

The following options are outstanding at December 31, 2025:

Option issuance:	Number of Options	Grant date	Expiry date	Exercise price		Fair value at grant date	
(1) Issued February 9, 2021	1,817	February 9, 2021	February 9, 2026	$	60.35	$	9.92
(2) Issued November 24, 2021	37,260	November 24, 2021	November 24, 2026	$	58.90	$	10.66
(3) Issued March 9, 2022	1,536	March 9, 2022	March 9, 2027	$	60.55	$	10.33
(4) Issued November 24, 2022	20,636	November 24, 2022	November 24, 2027	$	60.43	$	14.26
(5) Issued February 15, 2023	1,186	February 15, 2023	February 15, 2028	$	60.44	$	14.20
(6) Issued November 27, 2023	30,391	November 27, 2023	November 27, 2028	$	52.26	$	11.05
(7) Issued November 25, 2024	50,009	November 25, 2024	November 25, 2029	$	48.76	$	9.74
(8) Issued August 12, 2025	434	August 12, 2025	August 12, 2030	$	50.51	$	10.75
(9) Issued November 25, 2025	43,924	November 25, 2025	November 25, 2030	$	48.61	$	10.23

For the options issued on November 25, 2025, vesting occurs through to November 25, 2027.

12. Share-Based Compensation (continued)

At December 31, 2025 (2024) the weighted average remaining contractual life of options outstanding is 3.09 (2.26) years of which 126,170 (204,211) options are exercisable at a weighted average price of $54.93 ($59.13). The Company has recorded $110 ($75) of share-based compensation expense in the three months ended December 31, 2025 (2024) related to the options that have been granted. At December 31, 2025 (2024) the Company has total unrecognized compensation expense of $480 ($467) that will be recorded in the next two fiscal years.

Restricted Share Units:

Under the Company’s restricted stock unit (“RSU”) plan, share units may be awarded to any officer or employee of the Company. Each restricted share unit will vest on the date or dates designated for that unit, conditional on any vesting conditions being met. At the discretion of the Board, the Company may issue one common share to participants for each whole vested share unit or a cash payment. The cash amount is equal to the number of vested share units to be redeemed multiplied by the value of the common shares otherwise issuable on redemption of the share units. Under the above RSU plan, the Company issued performance share units (“PSUs”) which will vest on the date or dates designated for that unit, conditional on any vesting conditions being met. Vesting conditions for performance share units are tied to both the Company’s performance over time and the Company's performance in the market.

The following table summarizes information about the RSUs for the three months ended December 31, 2025 (2024):

	December 31, 2025		December 31, 2024	
	Number of Units	Weighted Avg. Grant Date Fair Value	Number of Units	Weighted Avg. Grant Date Fair Value
Balance at October 1	248,941	$ 51.53	189,961	$ 58.92
Exercised	(53,060)	53.41	(39,394)	59.02
Forfeited	(5,008)	53.52	(1,334)	58.66
Expired	(123,347)	50.39	—	—
Granted	230,700	50.88	102,379	40.97
Outstanding December 31	298,226	$ 51.13	251,612	$ 51.60

Of the units issued in the current year under the RSU plan, nil units have vested as of December 31, 2025. The Company has recorded $733 ($842) of share-based compensation expense in the three months ended December 31, 2025 (2024) related to the RSUs that have been granted. At December 31, 2025 (2024) the Company has total unrecognized compensation expense of $10,089 ($4,744) that will be recorded over the next three years. The following unvested share-based payment arrangements are outstanding:

12. Share-Based Compensation (continued)

RSU issuance:		Number of units	Grant date	Vest through	Fair value at grant date
(1) Issued November 24, 2022	PSU	6,235	November 24, 2022	November 15, 2025	$ 59.18
(2) Issued February 14, 2024	RSU	684	February 14, 2024	February 14, 2027	$ 58.68
(3) Issued February 23, 2024	RSU	2,174	February 23, 2024	February 28, 2026	$ 59.00
(4) Issued March 15, 2024	RSU	10,227	March 15, 2024	November 15, 2026	$ 59.00
(5) Issued May 14, 2024	RSU	517	May 14, 2024	May 14, 2027	$ 55.98
(6) Issued August 14, 2024	RSU	99	August 7, 2024	May 14, 2027	$ 53.62
(7) Issued November 25, 2024	RSU	37,743	November 25, 2024	November 25, 2027	$ 48.76
(8) Issued February 12, 2025	RSU	869	February 12, 2025	February 12, 2028	$ 50.46
	PSU	7,432	February 12, 2025	November 15, 2027	$ 50.46
(9) Issued May 13, 2025	RSU	1,046	May 13, 2025	May 13, 2027	$ 50.40
(10) Issued August 12, 2025	RSU	500	August 12, 2025	August 12, 2028	$ 50.51
(11) Issued November 25, 2025	RSU	84,821	November 25, 2025	November 25, 2028	$ 46.47
	PSU	43,528	November 25, 2025	November 25, 2028	$ 45.68
(12) Issued December 16, 2025	RSU	102,351	December 16, 2025	December 16, 2030	$ 56.74

Deferred Share Unit Plan

At December 31, 2025 (2024) the Company has 12,917 (26,267) Deferred Share Units ("DSU") outstanding, of which 12,917 (26,267) have vested. The Company recorded a general and administrative expense of $240 ($241) related to the DSUs in the three months ended December 31, 2025 (2024). Each DSU entitles the participant to receive the value of one Common Share at the time of vesting. The fair value of the DSUs outstanding at December 31, 2025 (2024) was $55.32 ($43.08) per unit using the fair value of a Common Share at period end.

13. Revenue

The following table presents the revenue of the Company for the three months ended December 31, 2025 and 2024:

	Three months ended			
	December 31, 2025		December 31, 2024[1]	
Product revenue				
Defence and Space	$	33,650	$	34,927
Essential Industries		14,708		8,852
Total product revenue	$	48,358	$	43,779
Service revenue				
Defence and Space	$	104,945	$	91,604
Essential Industries		54,697		49,664
Total service revenue	$	159,642	$	141,268
Total revenue	$	208,000	$	185,047

[1] For the three months ended December 31, 2024, $6,372 was reclassified between product revenue and service revenue to conform to current period presentation.

Remaining Performance Obligations

The following table presents the aggregate amount of the revenues expected to be realized in the future from partially or fully unsatisfied performance obligations as at December 31, 2025 for contracts recognized over time. The amounts disclosed below represent the value of the firm orders only. Such orders may be subject to future modifications that might impact the amount and/or timing of revenue recognition. The amounts disclosed below do not include unexercised options or letters of intent.

Revenues expected to be recognized in:

	December 31, 2025	
Less than 24 months	$	761,742
Thereafter		213,692
Total	$	975,434

14. Net Profit per Share

The diluted weighted average number of shares has been calculated as follows:

	Three months ended December 31,	
	2025	2024
Weighted average number of common shares – basic	11,379,277	11,773,465
Additions to reflect the dilutive effect of employee stock options and RSUs	61,528	143,894
Weighted average number of common shares – diluted	11,440,805	11,917,359

Options that are anti-dilutive because the exercise price was greater than the average market price of the common shares are not included in the computation of diluted net profit per share. For the three months ended December 31, 2025 (2024), 106,793 (260,651) options and 215,726 (69,566) RSUs were excluded from the above computation.

15. Segmented Information

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, regarding how to allocate resources and assess performance. The Company's chief operating decision maker is the Chief Executive Officer. In the current year, the Company restructured its segments to align the internal structure with the go-to-market strategy of the Company. In order to capitalize on demand and better service our customers, we have structured the organization into two segments: Defence & Space and Essential Industries. Shared Services are aggregated and incurred to support all segments. These include, but are not limited to, the Finance, Human Resources, IT support, Corporate development, Legal, Corporate marketing and administrative functions, facilities costs, costs of operating a public company, and other costs.

The chief operating decision maker reviews adjusted EBITDA as the key measure of profit for the purposes of evaluating performance and allocating resources. Operating costs are comprised of selling, general and administrative expenses and research and development expenses. Note that for the comparative period presented, financial information by segment has been reclassified to align with the current segment structure.

For the three months ended December 31, 2025:

For the three months ended December 31, 2025	Defence & Space	Essential Industries	Shared Services	Total
Revenue	$ 138,595	$ 69,405	$ —	$ 208,000
Cost of revenues	91,167	45,930	—	137,097
Operating costs	15,219	19,173	13,696	48,088
Adjusted EBITDA	$ 32,209	$ 4,302	$ (13,696)	$ 22,815
Share-based compensation				1,012
Restructuring expense				419
Depreciation and amortization				11,005
Mergers and acquisitions costs				1,018
Profit before interest and income tax expense				9,361
Interest expense				2,216
Income tax expense				2,048
NET PROFIT FOR THE PERIOD				$ 5,097

15. Segmented Information (continued)

For the three months ended December 31, 2024:

For the three months ended December 31, 2024		Defence & Space		Essential Industries		Shared Services		Total
Revenue	$	126,531	$	58,516	$	—	$	185,047
Cost of revenues		86,737		39,509		—		126,246
Operating costs		15,210		15,633		10,158		41,001
Adjusted EBITDA	$	24,584	$	3,374	$	(10,158)	$	17,800
Share-based compensation								1,091
Restructuring expense								692
Depreciation and amortization								11,540
Mergers and acquisitions costs								2,320
Profit before interest and income tax expense								2,157
Interest expense								1,783
Income tax expense								1,350
NET PROFIT (LOSS) FOR THE PERIOD							$	(976)

The Company operates in Canada but provides services to customers in various countries. Revenues from external customers for the three months ended December 31, 2025 (2024) are attributed as follows:

	December 31, 2025		December 31, 2024	
Canada	62	%	58	%
United States	19	%	23	%
Europe	17	%	18	%
Other	2	%	1	%

Revenues are attributed to foreign countries based on the location of the customer. Revenues from various contracts with the Company's largest customer that have commitments until 2030 represented 31% (34%) of the Company's total revenues for the three months ended December 31, 2025 (2024).

16. Financial Instruments and Risk Management

Capital Risk Management

Foreign Currency Risk Related to Contracts

The Company is exposed to foreign currency exchange fluctuations on its cash balance, accounts receivable, accounts payable and accrued liabilities, contingent earn-out and future cash flows related to contracts denominated in a foreign currency. Future cash flows will be realized over the life of the contracts. The Company utilizes derivative financial instruments, principally in the form of forward exchange contracts, in the management of its foreign currency exposures within entities operating in currencies outside of their functional currencies. The Company's objective is to manage and control exposure and secure the Company's profitability on existing contracts and therefore, the Company's policy is to hedge its foreign currency exposure where it is most practical to do so. The Company applies hedge accounting when appropriate documentation and effectiveness criteria are met.

16. Financial Instruments and Risk Management (continued)

At December 31, 2025, the Company had the following forward foreign exchange contracts:

Type	Notional	Currency	Maturity	Equivalent Cdn. Dollars	Fair Value December 31, 2025
BUY	$ 25,093	USD	January 2026	$ 34,399	$ 176
BUY	1,628	EURO	January 2026	2,626	10
Derivative assets					$ 186
SELL	$ 41,159	USD	January 2026	$ 56,424	$ (260)
SELL	1,987	EURO	January 2026	3,205	(12)
Derivative liabilities					$ (272)

Credit Risk

The Company's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. The Company's customers are diverse, however a significant portion of them are federal or provincial government agencies, or large private entities. A significant portion of the Company's accounts receivable is from long-time customers. At December 31, 2025 (2024), 21% (24%) of its accounts receivable were due under various contracts with the Company's largest customer. Over the last five years the Company has not incurred any significant credit related losses.

The Company limits its exposure to credit risks from counterparties to derivative financial instruments by dealing only with major Canadian financial institutions. Management does not expect any counterparties to fail to meet their obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	December 31, 2025	September 30, 2025
Cash and cash equivalents	$ 62,636	$ 46,101
Accounts receivable	175,002	171,150
Derivative assets	186	44
Total	$ 237,824	$ 217,295

The aging of accounts receivable at the reporting date was:

	December 31, 2025	September 30, 2025
Current	$ 161,582	$ 155,885
Past due (61-120 days)	8,479	9,910
Past due (> 120 days)	4,941	5,355
Total	$ 175,002	$ 171,150

16. Financial Instruments and Risk Management (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. On September 29, 2025, the Company signed an amended debt facility that provides the Company with the ability to draw up to $200,000 CAD and an accordion feature of up to $150,000 CAD. The agreement has a three year term, which will mature on September 29, 2028. As at December 31, 2025, the Company had $62,636 cash and cash equivalents and $164,750 was drawn on the facility for current operations and for use in business acquisitions.

Fair Value

The carrying amount of accounts receivable, accounts payable and accrued liabilities are recorded at amortized cost and approximate fair value due to the short-term maturity of these investments. The debt facility is on a revolver and is recorded at amortized cost. Fair value of the forward exchange contracts reflects the cash flows due to or from the Company if settlement had taken place on December 31, 2025 and represents the difference between the hedge rate and the exchange rate at the end of the reporting period.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 of the fair value hierarchy based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Investments are made in companies that do not have directly an observable market. These are fair valued when market participant data becomes available or if financings for the investments are completed. The fair value of contingent earn-out amounts has been determined by applying a discounted cash flow technique on the expected future value of a settlement amount.

	December 31, 2025		
	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 62,636	$ —	$ —
Investments	—	—	4,252
Derivative assets	—	186	—
Debt facility	—	(164,750)	—
Contingent earn-out	—	—	(10,177)
Derivative liabilities	—	(272)	—
Total	$ 62,636	$ (164,836)	$ (5,925)

16. Financial Instruments and Risk Management (continued)

	September 30, 2025		
	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 46,101	$ —	$ —
Investments	—	—	4,252
Derivative assets	—	44	—
Debt facility	—	(130,750)	—
Contingent earn-out	—	—	(16,147)
Derivative liabilities	—	(53)	—
Total	$ 46,101	$ (130,759)	$ (11,895)

There were no transfers between Level 1, Level 2 and level 3 during the three month period ended December 31, 2025.

17. Acquisitions

Advanced Medical Solutions Inc. "AMS"

On May 14, 2025, the Company acquired all outstanding shares of AMS for consideration of $27,424, which is inclusive of future contingent earn-out payments of $5,000, the extinguishment of AMS' outstanding indebtedness of $6,476 at closing as well as the settlement of transaction expenses and post-closing working capital adjustments of $1,024. Management has assessed the likelihood of the contingent consideration and recorded a liability of $4,840 which is discounted and included in the purchase price under IFRS 3. The difference between the contingent consideration that is included in the purchase price and the total potential liability is due to some amounts being considered deemed compensation.

AMS is a Canadian based business that specializes in the delivery of operational and medical support across Canada's northern regions, including the Northwest Territories, Yukon, Nunavut and parts of Canada's northern provinces. The acquisition enhances Calian's ability to deliver integrated healthcare solutions across a broader geography, increase its service offerings and diversify Calian's customer base. AMS also brings long-standing partnerships with Indigenous communities, an area where Calian remains committed to building deeper engagement, trust and culturally respectful care.

Under the contingent consideration arrangement, the Company is required to pay the former shareholders of AMS an additional $5,000 if AMS attained specific EBITDA targets for the six-months ended November 30, 2025. Of this amount, $160 was subject to the retention of principal employees. This amount is deemed to represent deferred compensation payable to such employees and therefore is excluded from the total consideration of the purchase price and will be expensed in the Company's consolidated statement of net profit as deemed compensation related to acquisitions on a straight-line basis over the retention period. The valuation and allocation is considered final.

The Company recognized $100 in the three months ended December 31, 2025 related to changes in fair value of contingent earn out and recorded deemed compensation expense of $53.

17. Acquisitions (continued)

InField Scientific Inc. "InField"

On October 2, 2025, the Company acquired the outstanding shares of InField Scientific Inc. ("InField"), for total cash consideration of up to $14,036 of which, $11,836 was paid on closing, and $2,200 is payable contingently. The contingent consideration is payable if InField achieves specified EBITDA targets for the period from March 1, 2026 to February 29, 2028. Of the $2,200, $1,000 is subject to principal employee retention and is treated as deferred compensation. This amount is excluded from the purchase price and will be expensed on a straight-line basis over the retention period. The remaining $1,200 is payable contingently if specified EBITDA targets are met. Management has assessed the likelihood of achievement and recorded no liability and has excluded it from the purchase price.

InField, an engineering firm specializing in electromagnetic environmental effects, expands the Company's defence capabilities and is included in the Defence and Space operating segment.

Final valuation of the acquisition and the allocation between intangible assets and goodwill will be completed during the remainder of the 2026 fiscal year, the numbers presented below represent management's best estimate pending finalization of closing procedures with the selling party.

The Company recognized $286 in the three months ended December 31, 2025 related to deemed compensation.

	Net Assets Acquired	Goodwill and Intangibles	Total Net Assets Acquired
Cash and cash equivalents	$ 61	$ —	$ 61
Accounts receivable	1,404	—	1,404
Prepaid expenses	14	—	14
	$ 1,479	$ —	$ 1,479
Property, plant and equipment	$ 23	$ —	$ 23
Right of use assets	204	—	204
Intangibles	—	4,942	4,942
Goodwill	—	6,852	6,852
	$ 1,706	$ 11,794	$ 13,500
Accounts payable and accrued liabilities	$ 175	$ —	$ 175
Lease obligations	204	—	204
Deferred tax liability	—	1,285	1,285
	$ 379	$ 1,285	$ 1,664
Total purchase price			$ 11,836

17. Acquisitions (continued)

The goodwill of $6,852 is comprised of the value of expected synergies arising from the acquisition and assembled workforce, which is not separately recognized from the goodwill. The assembled workforce does not meet the criteria for recognition as an intangible asset under IAS 38. None of the goodwill recognized is expected to be deductible for income tax purposes.

Cash consideration paid for the acquisition activity during the three months ended December 31, 2025:

		InField
Consideration paid in cash	$	11,836
Less- cash balance acquired		(61)
Total	$	11,775

18. Mergers and Acquisition Costs

The following table presents the mergers and acquisition costs for the Company for the three months ended December 31, 2025 (2024):

		Three months ended			
	NOTES		December 31, 2025		December 31, 2024
Deemed compensation	19	$	339	$	1,563
Changes in fair value related to contingent earn-out	19		100		558
Other acquisition related costs			579		199
		$	1,018	$	2,320

19. Contingent Earn-Out

The following shows the contingent consideration activity for the three month period ended December 31, 2025:

Company Acquired	Balance October 1, 2025	Acquisition	Payments	Change in Fair Value	Adjustments	Balance December 31, 2025
Alio/Allphase	$ 841	$ —	$ —	$ —	$ —	$ 841
Hawaii Pacific Teleport	7,343	—	(6,409)	—	—	934
Mabway	3,116	—	—	—	—	3,116
AMS	4,847	—	—	100	53	5,000
InField	—	—	—	—	286	286
Total	$ 16,147	$ —	$ (6,409)	$ 100	$ 339	$ 10,177

As at December 31, 2025, the total gross value of all contingent consideration outstanding is $12,091. Included in the adjustments column in the table are deemed compensation, along with changes in estimated payment amounts to be made under contingent earn out estimates and changes relating to foreign exchange. Contingent consideration estimates are based on the forecasted earnings before interest, tax, depreciation and amortization ("EBITDA") for the respective acquired entities included in the able above. There is significant judgment in the forecasted EBITDA for each respective entity. Payouts begin at agreed upon EBITDA targets and increase for dollars earned above that target amount. Estimated payouts are then calculated and discounted using rates between 11% and 20%, depending on the acquired entity. In the three months ended December 31, 2025, an earn-out payment of $6,409 was paid to HPT for the attainment of EBITDA for the second year earn out with the remaining liability to be paid over a 12-month period concluding November 2026.

The following shows the contingent consideration activity for the year ended September 30, 2025:

Company Acquired	Balance October 1, 2024	Acquisition	Payments	Change in Fair Value	Adjustments	Balance September 30, 2025
Alio/Allphase	$ 841	$ —	$ —	$ —	$ —	$ 841
Hawaii Pacific Teleport	15,972	—	(11,215)	270	2,316	7,343
Decisive	18,672	—	—	—	(18,672)	—
Mabway	6,348	—	(6,233)	690	2,311	3,116
AMS	—	4,540	—	200	107	4,847
Total	$ 41,833	$ 4,540	$ (17,448)	$ 1,160	$ (13,938)	$ 16,147