Ponts
JACQUES CARTIER +
CHAMPLAIN
Bridges
Canada

# QUARTERLY FINANCIAL REPORT

## 1st Quarter (Q1) 2026–2027

For the three months ended June 30, 2026

# TABLE OF CONTENTS

# SECTION 1

Status

# 1. STATUS

The Jacques Cartier and Champlain Bridges Incorporated (JCCBI) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*.

JCCBI was, until September 30, 1998, a Crown corporation wholly owned by the St. Lawrence Seaway Authority (SLSA). On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (FBCL). On February 13, 2014, JCCBI became a parent Crown corporation listed under Part I of Schedule III of the *Financial Administration Act* (FAA).

As a Crown corporation, JCCBI is subject to Part X of the FAA. Furthermore, JCCBI is an agent of His Majesty in right of Canada under *The Jacques-Cartier and Champlain Bridges Inc. Regulations* (SOR/98-568).

## 1.1 MANDATE

JCCBI is responsible for infrastructures under federal jurisdiction located in the Greater Montreal area, namely the Jacques Cartier Bridge, the Estacade, the federal sections of the Bonaventure Expressway and of the Honoré Mercier Bridge, as well as the Melocheville Tunnel.

For these infrastructures, JCCBI is responsible for:

+ Mobility and safety on traffic lanes and active mobility lanes;
+ Operations;
+ Inspections;
+ Maintenance, repairs and/or rehabilitation;
+ Coordination with stakeholders (federal, provincial, municipal and others);
+ Management of contaminated sites;
+ Environmental protection.

In addition, since November 12, 2024, JCCBI is the owner and manager of the Québec Bridge structure, with the exception of the railway deck corridor, which is owned by the Canadian National Railway Company (CN). The road deck and sidewalk are under the responsibility of the Ministère des Transports et de la Mobilité durable (MTMD) of Québec.

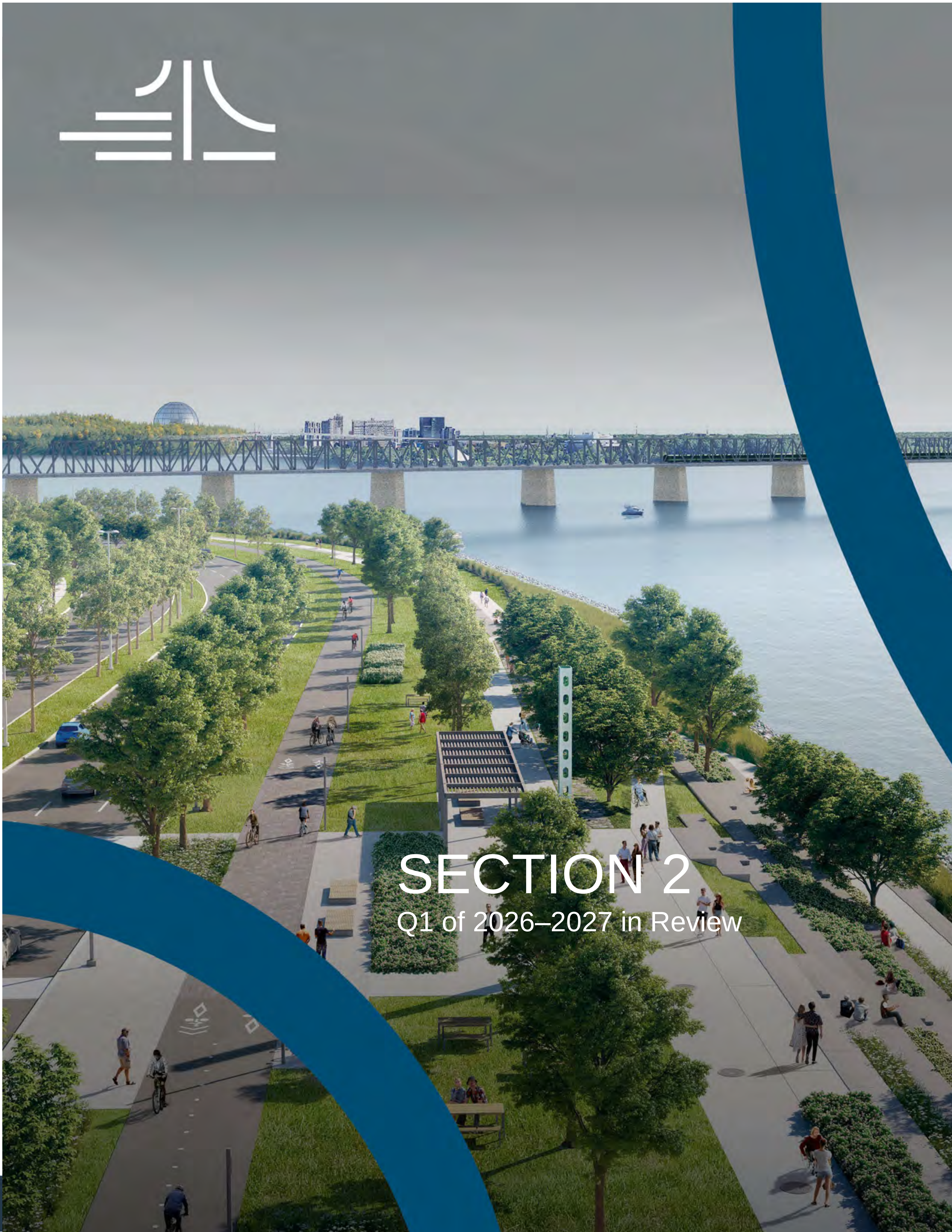
In addition, under a Memorandum of Understanding, JCCBI provides technical support services to Housing, Infrastructure and Communities Canada (HICC) for the Samuel De Champlain Bridge Corridor (SDCBC) project during the operation, maintenance and rehabilitation period.

## 1.2 MISSION, VISION, VALUES

**Mission**
Ensure user mobility, safety, and infrastructure longevity using a systemic management approach based on sustainable development.

**Vision**
Become a leader in major infrastructure management as an innovative expert, a mobility leader and a social and urban contributor.

**Values**
+ Teamwork + Transparency + Thoroughness + Innovation + Commitment



# SECTION 2

## Q1 of 2026–2027 in Review

# 2. FIRST QUARTER REVIEW FOR 2026–2027

This Quarterly Financial Report was prepared in accordance with the requirements of the FAA and the Treasury Board of Canada's Directive on Accounting Standards: GC 5200 Crown Corporations Quarterly Financial Report. It provides an assessment of JCCBI's operations and financial position for the quarter ended June 30, 2026 (Q1). It must be read in conjunction with the unaudited Interim Financial Statements and accompanying notes contained in this document, as well as with the audited Annual Financial Statements and supporting notes included in JCCBI's annual report.

All amounts are expressed in Canadian dollars and are mainly derived from the Corporation's unaudited Interim Financial Statements, which were prepared in accordance with the Canadian Public Sector Accounting Standards.

## 2.1 SUMMARY

JCCBI reports a surplus of $3.9M for the three months ended June 30, 2026 (a surplus of $6.4M as at June 30, 2025). This decrease of $2.5M is primarily attributable to the decrease in transfer payments received as at June 30, 2026. The deficit before public funding is $54.5M as at June 30, 2026 ($55.0M as at June 30, 2025).

As at June 30, 2026, JCCBI's net assets stand at $739.6M, an increase of $3.9M compared to March 31, 2026. This change is attributable to the surplus for the quarter.

Acquisitions of capital assets for the period totalled $5.6M (($2.6M) as at June 30, 2025).

## 2.2 OUTLOOK

In the coming quarters, JCCBI will remain focused on its priorities with respect to safety, mobility, and longevity of the infrastructures under its responsibility. Efforts will be primarily directed toward advancing the major asset maintenance programs and transformative projects, particularly those involving the Jacques Cartier and Honoré Mercier Bridges, the Québec Bridge, and the Bonaventure Expressway.

In a context of aging assets and the increasingly complex interventions required, the Corporation will continue to rely on rigorous planning, proactive risk management, and close coordination with its partners. These actions will support service continuity, the optimal use of public funds, and the integration of sustainable development principles into decisions and projects.

## 2.3 IMPORTANT EVENTS

During the first quarter of fiscal year 2026-2027, the original Champlain Bridge deconstruction project earned Envision Gold certification, an international recognition highlighting excellence in sustainable infrastructure. The deconstruction project featured innovative and responsible practices and initiatives, including the recovery of 96% of the materials from the deconstruction, the restoration of natural environments, and the creation of sustainable amenities for the benefit of the community.

The Héritage Champlain Pathway, which was developed on three sites originally occupied by the Champlain Bridge on Île des Sœurs, on the St. Lawrence Seaway dike, and in Brossard, opened to the public during the first quarter.

JCCBI's Chief Engineer, Guy Mailhot, received the 2026 Grand Prix d'excellence en génie from the Ordre des ingénieurs du Québec. This prestigious distinction recognizes a career marked by excellence and reflects JCCBI's expertise and know-how in the management and long-term preservation of strategic infrastructure.

JCCBI showcased its expertise at the 2026 Annual Conference of the Canadian Society for Civil Engineering by presenting several major projects and innovative approaches related to infrastructure management. This participation reflects the Corporation's commitment to playing an active role in knowledge sharing and the advancement of engineering practices in Canada.


# SECTION 3

## Analysis of Financial Results

# 3. ANALYSIS OF FINANCIAL RESULTS

## 3.1 RESULTS OF OPERATIONS

### 3.1.1 STATEMENT OF FINANCIAL POSITION

**Financial Assets**

During the three months ended June 30, 2026, total financial assets decreased by $8.2M to $71.3M, compared to $79.5M as at March 31, 2026. This decrease is explained by a decrease in accounts receivable of $28.8M, offset by an increase in cash of $20.7M.

**Financial Liabilities**

Financial liabilities decreased by $16.0M during the first quarter of fiscal year 2026–2027, from $154.0M as at March 31, 2026 to $138.0M as at June 30, 2026. This variance is primarily attributable to environmental obligations, which decreased by $7.7M, as well as a decrease of $7.0M in accounts payable and accrued liabilities, mainly related to the volume of work carried out.

**Non-Financial Assets**

Non-financial assets totalled $806.6M as at June 30, 2026, a decrease of $3.9M compared to March 31, 2026 ($810.5M). This decrease is mainly attributable to tangible capital assets, net of amortization, which decreased by $3.8M to a total of $804.9M, compared to $808.7M as at March 31, 2026.

**Non-Financial Liabilities**

Non-financial liabilities remain stable as at June 30, 2026, totalling $0.2M ($0.3M as at March 31, 2026). They consist solely of unearned revenues.

**Government Funding**

The following table summarizes public funding for the first quarter of the current fiscal year as at June 30, 2026:

| (in thousands of dollars) | First Quarter | |
|---|---|---|
| | 2026–2027 | 2025–2026 |
| Public funding for operating expenses | 52,811 | 64,064 |
| Public funding for tangible capital assets | 5,619 | (2,621) |
| **TOTAL** | **58,430** | **61,443** |

Section 3.4 presents the results of the use of parliamentary appropriations.

### 3.1.2 EXPENSES

**Regular and Major Maintenance**

For the three months ended June 30, 2026, regular and major maintenance expenses, including amortization, totalled $52.0M ($65.0M as at June 30, 2025) and are mainly broken down as follows:

**Work on assets**

- $11.4M on the Jacques Cartier Bridge;
- $8.3M on the Québec Bridge;
- $1.9M for Héritage Champlain;
- $0.1M on the Île des Sœurs Bypass Bridge;
- $2.8M on the Estacade;
- $10.4M on the Honoré Mercier Bridge;
- $6.6M on the Bonaventure Expressway;
- $3.6M for the reconfiguration of the Bonaventure Expressway;
- $0.7M on the Melocheville Tunnel.

**Others**

- $4.4M in salaries and employee benefits;
- $1.8M for various other projects and equipment.

**Operations**

Operating expenses for the first three months totalled $1.4M ($1.0M as at June 30, 2025).

**Administration**

Administrative expenses for the first three months totalled $5.5M ($4.9M as at June 30, 2025).

**Environmental Obligations**

The expense related to environmental obligations remains in a net credit position, standing at ($3.7M) as at June 30, 2026, compared to ($15.2M) as at June 30, 2025. This increase of $11.5M primarily reflects the effect of fluctuations in discount rates and revisions to environmental work estimates related to costs and timelines.

## 3.2 CASH FLOW

As at June 30, 2026, the cash position increased by $20.6M, for a balance of $67.8M ($47.2M as at March 31, 2026). This increase is mainly attributable to the advance on parliamentary appropriations received at the beginning of the first quarter. As at June 30, 2026, the net amount receivable from government departments and agencies totalled $2.3M ($32.1M as at March 31, 2026).

## 3.3 STRATEGIC ISSUES AND RISKS

As a parent Crown corporation, JCCBI must meet the requirements and comply with the obligations prescribed by the various laws applicable thereto.

### 3.3.1 ASSET MANAGEMENT

JCCBI's priority is to ensure user safety and mobility while ensuring the sustainability of the structures under its responsibility. The aging of assets and adequate funding for their maintenance and rehabilitation represent not only challenges but also create risks that the Corporation must mitigate to ensure the safety of its infrastructure and of daily users.

The bridges and other structures managed by the Corporation are old and have been exposed for years to heavy and growing traffic, changing and harsh weather conditions, and the extensive use of abrasives and road salt.

The Corporation continues to position itself as a leader in infrastructure management by maximizing the service life of its assets and through an asset management approach inspired by best practices in the field and modelled on the ISO 55000 standard.

To this end, JCCBI has developed a strategic asset management plan that is currently being implemented. A maturity analysis of asset management practices was carried out in 2024–2025 and showed a progression in the maturity level from "developing" to "competent."

### 3.3.2 MAJOR PROJECTS


A retrofit plan was developed to ensure the structure's sustainability. This plan includes the following work for the current fiscal year:

Rehabilitation work on the Île Sainte-Hélène Pavilion began in June 2025 and will be completed in spring 2027. The project involves restoring the building, which is a structural component of the bridge, in accordance with sustainability and safety criteria aimed at extending its service life by more than 75 years.

During the quarter, redevelopment work on the South Shore entrance to the bridge was completed following the deconstruction of the former toll booth building. A public artwork will be installed during 2026. To this end, the Corporation launched a call for applications to the Canadian artistic community in March 2025. Artist Karole Biron was selected to create the new public artwork.

Detailed design for steel repair and seismic rehabilitation on multiple sections of the bridge is ongoing and will be completed in fall 2027. The construction work will be carried out in phases, starting in April 2026 and finishing with the last construction phase in spring 2030. The first construction phase is currently underway.

Detailed design for the seismic rehabilitation of piers 23 and 26 will continue until September 2026. Work will start no later than spring 2031 and be completed in the fall of 2033. Inaugurated in 1930, the Jacques Cartier Bridge is in a seismically active zone and was not designed to withstand the loads generated by a seismic event. Based on a recent study, a program has been developed to integrate seismic rehabilitation concepts into the work to be carried out as part of the steel and concrete piers programs over a period of approximately 25 years. The detailed design for the seismic reinforcement of the bridge at the pavilion has begun and will continue until 2027.

Milling and paving work will be carried out over two years, from 2027 to 2029. Work on the deck and approaches will be carried out in 2027 and 2028, respectively. The precise schedule will take into account any work then underway at the Louis-Hippolyte La Fontaine Tunnel, as applicable, to ensure traffic flow.

## Héritage Champlain

Construction work on the Héritage Champlain project, including the multipurpose path at the Samuel De Champlain Bridge approach in Brossard, was completed according to the project schedule, and the Héritage Champlain Pathway opened to the public in spring 2026.

## Québec Bridge

The professional asset management services contract for inspections, load-bearing capacity studies and other related services is underway. The inspections are currently 63% complete, with a target of 100% completion by December 2026.

A construction contract for targeted and priority steel structure rehabilitation and reinforcement and painting work was awarded during the fourth quarter of 2025–2026; this work began in March 2026 and is ongoing. In parallel, the preparation of plans and specifications is progressing for the next phases of work planned for 2027–2028 and 2028–2029 to ensure the continuity of the bridge rehabilitation program.

## Estacade

According to the results of the monitoring program for the service life of the Estacade's footings, a standard asset maintenance program would be sufficient to ensure that the structure has a service life of more than 60 years. Repair work on certain concrete piers and girders to ensure their sustainability is scheduled to begin during the second quarter of 2026–2027.

## Bonaventure Expressway

The reconstruction project for sections 11 and 12 of the Bonaventure Expressway is ongoing. This project involves converting these sections into a three-lane boulevard in each direction, including a dynamically managed lane.

Underground infrastructure work is progressing and activities related to the new roadway foundation have begun on a portion of the project. The objective is to complete the project in the third quarter of 2029–2030. Meanwhile, coordination of the environmental component and the participatory process with the various stakeholders are ongoing.

Rehabilitation work on the Clément Bridge and other JCCBI infrastructure on Île des Sœurs is scheduled until December 2026. Work on the concrete structure of the elevated section of the Bonaventure Expressway was completed in spring 2026.

## Honoré Mercier Bridge

The major rehabilitation program to repair the piers and replace the steel paint coating has continued in accordance with the planned schedules. The work will extend until 2026–2027. Similar work is planned for the coming years, including in the St. Lawrence Seaway sector starting in winter 2026–2027, and on Île Maline.

With respect to the development of a green space at the bridge's south approach, the project initiated in 2018 has reached several key milestones, including two consultations with the Kahnawà:ke community, which confirmed its support for the project. Also, a working group established for this purpose held a series of workshops leading to various development scenarios. These collaborative efforts have led to the selection of a final development scenario that meets the community's needs. Construction work is scheduled to begin in the second quarter of 2026–2027, with expected completion in the third quarter of 2027–2028.

## Melocheville Tunnel

Construction work to replace the P-113 Bridge and various upgrades to the Melocheville Tunnel are proceeding as scheduled. The P-113 Bridge is located on the tunnel's west approach and crosses Le Petit Canal waterway. Having reached the end of its service life and due to existing hydraulic conditions, it must be replaced. The work is scheduled to be completed in the third quarter of 2026–2027.

The preliminary project study on various tunnel upgrades was completed in the fourth quarter of 2025–2026. Following this study, a project was launched in the first quarter of 2026–2027 for concrete rehabilitation, crack injection, and asphalt work.

## Samuel De Champlain Bridge Corridor

A memorandum of understanding between JCCBI and HICC for technical support in connection with the SDCBC project, which may extend until October 2049, was signed during the second quarter of 2025–2026, and the collaboration is ongoing.

### 3.3.3 ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

To manage environmental risks and meet both the corporate and the Government of Canada's environment and sustainable development goals, the following initiatives continued during the first quarter of 2026–2027:

+ Characterizations of JCCBI's lands are still underway. They will help determine with greater precision the actions required for remediation and contaminant control during project execution and reduce the risks associated with these issues;
+ The Corporation is participating in the Federal Contaminated Sites Action Plan (FCSAP). Administered by Environment and Climate Change Canada, to implement mitigation measures that will, among other things, allow for the eventual closure of certain sites;
+ To support the 2022 to 2026 FSDS, JCCBI has selected the following six Sustainable Development Goals (SDGs), which are the pillars of its 2023 to 2027 Sustainable Development Strategy (SDS), taking into account JCCBI's mission and activities:


| | |
|---|---|
| Goal 9 | Foster innovation and green infrastructure in Canada; |
| Goal 10 | Advance reconciliation with Indigenous Peoples and take action to reduce inequality (mandatory SDG); |
| Goal 11 | Improve access to affordable housing, clean air, transportation, parks and green spaces, and cultural heritage in Canada |
| Goal 12 | Reduce waste and transition to zero-emission vehicles (mandatory SDG); |
| Goal 13 | Take action on climate change and its impacts (mandatory SDG); |
| Goal 15 | Protect and recover species, conserve Canadian biodiversity |

+ JCCBI's second progress report on the implementation of its 2023 to 2027 SDS, covering the 2024-2025 fiscal year, was tabled in Parliament in the fall of 2025 and published on the Corporation's website;
+ JCCBI is continuing the implementation of a decentralized environmental management system (EMS).

### 3.3.4 OCCUPATIONAL HEALTH AND SAFETY (OHS)

With the support of the local OHS Committees, the importance of OHS within the Corporation is constantly promoted, always with the goal of "Zero Injury by Choice."

The Corporation's OHS training matrix was 90% complete as at June 30, 2026, exceeding the 85% threshold. The results of the audit on new OHS communication methods demonstrate their effectiveness. The OHS protocol for work on the Québec Bridge is now in place, in preparation for the work scheduled for fiscal year 2026–2027.

### 3.3.5 SUSTAINABLE FUNDING

JCCBI is mainly funded through parliamentary appropriations from the Government of Canada. Revenue from other sources, namely leases and permits as well as interest income, contributes to its funding, but only marginally.

JCCBI is currently in the fourth year of the funding cycle it was granted for 2023–2024 to 2027–2028. In addition, a funding envelope was granted for the Bonaventure Expressway reconfiguration project, with funding extending until 2031–2032.

A funding envelope was also granted for the original Champlain Bridge deconstruction project, of which the Héritage Champlain component was completed at the beginning of fiscal year 2026–2027.

### 3.3.6 HUMAN RESOURCES MANAGEMENT

To achieve its mission and vision, JCCBI has several initiatives to remain an attractive, inclusive, and constantly evolving organization, making each team member a valued partner. To this end, JCCBI implements actions to attract and retain its employees by stimulating leadership, professional growth, and employee development and engagement in an innovative environment, while fostering a climate of goodwill and collaboration.

To build employee loyalty, JCCBI leverages everyone’s talents, using the development of individual and collective skills (to strengthen the workforce’s capabilities) and the evolution of change management and leadership practices within the organization, particularly in an increasingly digital environment.

JCCBI has continued its efforts to promote its internal employer brand, “Together, WE CONNECT – OUR COMMUNITY,” building on the distinctive elements that reflect the employee experience within the organization. The “BRIDGE − YOUR CAREER” external Employer brand call to action has been used in external communications since the summer of 2024 to set JCCBI apart as an Employer of Choice.

WE CONNECT —— OUR COMMUNITY

The implementation of the health and wellness at work initiative and the equity, diversity, and inclusion initiative is ongoing within the organization following the organizational survey conducted in May 2025. A multidisciplinary committee is in place to lead the action plans based on the survey results, and to carry out and monitor activities. An updated action plan for the prevention of workplace violence and harassment has been completed.

Furthermore, as part of its pay equity process in compliance with the *Pay Equity Act,* JCCBI has completed its update exercise and its accountability reporting.

The collective agreements of both unions—the Syndicat des travailleuses et travailleurs (CSN) for blue-collar workers and the Canadian Union of Public Employees (CUPE), Local 4102 for white-collar workers—have been extended until December 31, 2026, and negotiations with CUPE are ongoing.

All of these human resources management initiatives aim to improve the employee experience and to evolve the organizational culture, so that JCCBI continues to position itself as an organization committed to the development and fulfillment of its employees.

### 3.3.7 INFORMATION RESOURCES

In order to manage and minimize its information resources risks, JCCBI has implemented a business continuity strategy, which is tested and reviewed annually by the Business Continuity Plan Committee.

JCCBI's strategy to improve its security posture is ongoing as part of the Information Technology and Systems Security Improvement Program. A program was set up for the 2024–2027 period, which is integrated into the IR master plan mentioned below. Penetration tests on JCCBI's technological infrastructure were carried out, and the elements for improvement will be included in the 2024–2027 program.

The IR Division has also finalized the orientations of the IR master plan, based in part on the organization's desire to align its IR with strategic orientations to securely support operations and decision-making. The IR master plan is divided into three digital projects for the 2024–2027 period:

- Project #1 - Establishing a sustainable digital culture;
- Project #2 - Promoting efficient, integrated services;
- Project #3 - Driving innovation and strengthening cybersecurity.

As part of Project #2 and the 2025–2030 Strategic Plan, the enterprise resource planning (ERP) software implementation project and digital asset management are underway.

All actions to implement the strategic plan are supported by change management and skills development to establish a sustainable digital culture, as set out in Project #1.

## 3.4 REPORT ON THE USE OF APPROPRIATIONS

According to financial planning, the parliamentary appropriations available for the current fiscal year amount to $261.7M.

| (in thousands of dollars) | As at June 30, 2026 | | | As at June 30, 2025 | | |
|---|---|---|---|---|---|---|
| | Operations | Capital | Total | Operations | Capital | Total |
| Main Estimates | 137,550 | 125,764 | 263,314 | 179,198 | 116,564 | 295,762 |
| Frozen Allotment | - | (1,600) | (1,600) | - | (300) | (300) |
| **Available Funding** | **137,550** | **124,164** | **261,714** | **179,198** | **116,264** | **295,462** |
| Parliamentary Appropriations (1) | | | | | | |
| + Used | 52,811 | 5,619 | 58,430 | 64,064 | (2,621) | 61,443 |
| + Required | 83,139 | 120,145 | 203,284 | 115,134 | 119,185 | 234,319 |
| **Total Parliamentary Appropriations** | **135,950** | **125,764** | **261,714** | **179,198** | **116,564** | **295,762** |

(1) JCCBI generally receives its funding after expenses have been incurred.

# SECTION 4

## JCCBI's 2026–2027 Unaudited Interim Financial Statements

# 4. JCCBI’S 2026–2027 UNAUDITED INTERIM FINANCIAL STATEMENTS

For the three months ended June 30, 2026, JCCBI’s Unaudited Interim Financial Statements have been prepared by management, and reviewed and approved by JCCBI’s Board of Directors. JCCBI’s external auditors have not audited or reviewed these Interim Financial Statements.

## 4.1 MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL INFORMATION

The management of The Jacques Cartier and Champlain Bridges Incorporated (“the Corporation”) is responsible for the preparation and fair presentation of these Interim Financial Statements in accordance with the Canadian Public Sector Accounting Standards. This responsibility requires the selection of appropriate accounting principles and the ability to exercise judgment in establishing reasonable estimates.

The Corporation’s management maintains appropriate financial systems and internal controls. These systems and practices are designed to provide reasonable assurance as to the reliability of financial information and to ensure that the Corporation’s assets are adequately safeguarded, that its resources are managed economically and efficiently, and that its transactions are conducted efficiently. These systems and practices are also designed to provide reasonable assurance that the Corporation’s transactions are duly authorized and conducted in accordance with the directives issued under section 89 and Part X of the *Financial Administration Act* and its regulations, the *Canada Business Corporations Act*, the *Jacques-Cartier and Champlain Bridges Inc. Regulations* passed pursuant to the *Canada Marine Act,* as well as the Corporation’s articles and by-law.

As at June 30, 2026, the Board of Directors is made up of five directors, including the Chief Executive Officer. Through the Audit Committee, the Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal controls. The Audit Committee meets with management and the auditors to review the manner in which these groups are fulfilling their responsibilities as well as to discuss the audit, internal controls and other relevant financial issues. The Financial Statements are reviewed and approved by the Board of Directors on the recommendation of the Audit Committee.

The Auditor General of Canada audits the Financial Statements of the Corporation and her report indicates the scope of the audit and her opinion on the Financial Statements.

| | |
|---|---|
| Sandra Martel, Eng.<br>Chief Executive Officer | Josée Leroux, CPA, ASC<br>Senior Director, Administration and Treasurer |

August 21, 2026

## 4.2 STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

*(Unaudited – in thousands of Canadian dollars)*

| | June 30, 2026 | Restated (Note 4.7.3) March 31, 2026 |
|---|---|---|
| | $ | $ |
| **Assets** | | |
| **Financial Assets** | | |
| Cash | 67,818 | 47,152 |
| Accounts Receivable (Note 4.7.4) | 3,531 | 32,354 |
| **Total Financial Assets** | **71,349** | **79,506** |
| **Non-Financial Assets** | | |
| Tangible Capital Assets (Note 4.7.8) | 804,874 | 808,665 |
| Prepaid Expenses | 1,730 | 1,815 |
| **Total Non-Financial Assets** | **806,604** | **810,480** |
| **Total Assets** | **877,953** | **889,986** |
| **Liabilities** | | |
| **Financial Liabilities** | | |
| Accounts Payable and Accrued Liabilities (Note 4.7.5) | 62,195 | 69,227 |
| Employee Future Benefits | 44 | 82 |
| Contractual Holdbacks (Note 4.7.6) | 8,615 | 9,784 |
| Environmental Obligations (Note 4.7.7) | 67,217 | 74,956 |
| **Total Financial Liabilities** | **138,071** | **154,049** |
| **Non-Financial Liabilities** | | |
| Unearned Revenue | 248 | 251 |
| **Total Non-Financial Liabilities** | **248** | **251** |
| **Total Liabilities** | **138,319** | **154,300** |
| **Net Assets (Note 4.7.9)** | **739,634** | **735,686** |
| **Components of Net Assets** | | |
| Accumulated Surplus | 739,634 | 735,686 |
| **Net Assets (Note 4.7.9)** | **739,634** | **735,686** |

**CONTINGENCIES (NOTE 4.7.10)**

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

Approved by the Board of Directors

Director

Director

## 4.3 STATEMENT OF NET FINANCIAL LIABILITIES AS AT JUNE 30, 2026

*(Unaudited – in thousands of Canadian dollars)*

| | June 30, 2026 | Restated (Note 4.7.3) March 31, 2026 |
|---|---|---|
| | $ | $ |
| Financial Assets | 71,349 | 79,506 |
| Less: Financial Liabilities | 138,071 | 154,049 |
| **Net Financial Liabilities** | **(66,722)** | **(74,543)** |

## 4.4 STATEMENT OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2026

*(Unaudited – in thousands of Canadian dollars)*

| | Twelve Months Ended | Three Months Ended | |
|---|---|---|---|
| | March 31, 2027 | June 30, 2026 | June 30, 2025 |
| | Budget | Actual Quarter | Actual Quarter |
| | $ | $ | $ |
| **Revenue** | | | |
| Leases and permits | 612 | 163 | 167 |
| Interest | 658 | 493 | 481 |
| Other sources | 1,137 | 13 | 9 |
| **Total Revenue** | **2,407** | **669** | **657** |
| **Expenses (Note 4.7.12)** | | | |
| Regular and Major Maintenance | 133,210 | 51,999 | 65,017 |
| Operations | 3,591 | 1,358 | 986 |
| Administration | 31,534 | 5,535 | 4,889 |
| Environmental Obligations | 2,412 | (3,741) | (15,226) |
| **Total Expenses (Note 4.7.12)** | **170,747** | **55,151** | **55,666** |
| Deficit before Government of Canada Funding | (168,340) | (54,482) | (55,009) |
| Portion of Transfer Payments for Operating Expenses | 135,950 | 52,811 | 64,064 |
| Portion of Transfer Payments for Tangible Capital Assets | 127,364 | 5,619 | (2,621) |
| **Surplus for the Period** | **94,974** | **3,948** | **6,434** |

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

## 4.5 STATEMENT OF CHANGES IN NET ASSETS FOR THE THREE MONTHS ENDED JUNE 30, 2026

*(Unaudited – in thousands of Canadian dollars)*

| | June 30, 2026 | June 30, 2025 |
|---|---|---|
| | **$** | **$** |
| **Accumulated Surplus** | | |
| **Surplus for the Period** | 3,948 | 6,434 |
| **Opening Balance** | 735,686 | 562,449 |
| **Closing Balance** | **739,634** | **568,883** |
| **Total Net Assets** | **739,634** | **568,883** |

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

## 4.6 STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED JUNE 30, 2026

*(Unaudited – in thousands of Canadian dollars)*

| | Three Months Ended | |
|---|---|---|
| | June 30, 2026 Actual Quarter | June 30, 2025 Actual Quarter |
| | $ | $ |
| **Operating Transactions** | | |
| **Fiscal Year Operating Surplus** | **3,948** | **6,434** |
| **Non-Cash Items** | | |
| Amortization of Tangible Capital Assets (Note 4.7.8) | 9,410 | 7,723 |
| Decrease in Environmental Obligations | (3,741) | (15,226) |
| **Changes in Other Items** | | |
| Decrease in Accounts Receivable | 28,823 | 12,863 |
| Increase in Accounts Payable and Accrued Liabilities | 819 | 28,175 |
| Decrease in Employee Future Benefits | (38) | (1) |
| Decrease in Contractual Holdbacks | (1,169) | (2,665) |
| Decrease in Unearned Revenue | (3) | (22) |
| Increase (Decrease) in Prepaid Expenses | 85 | (1,956) |
| Decrease in Environmental Obligations | (3,998) | (1,550) |
| **Cash Flow Provided by Operating Transactions** | **34,136** | **33,775** |
| **Tangible Capital Asset Investment Activities** | | |
| Cash Used to Acquire Tangible Capital Assets | (13,470) | (7,515) |
| **Cash Flow Used for Tangible Capital Asset Investment Activities** | **(13,470)** | **(7,515)** |
| **Increase in Cash** | 20,666 | 26,260 |
| **Cash, Beginning of the Fiscal Year** | **47,152** | **34,500** |
| **Cash, End of the Fiscal Year** | **67,818** | **60,760** |

The accompanying notes form an integral part of the unaudited Interim Financial Statements.

## 4.7 NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS

### 4.7.1 AUTHORITY AND ACTIVITIES

The Jacques Cartier and Champlain Bridges Incorporated (“the Corporation”) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*, as a wholly owned subsidiary of the St. Lawrence Seaway Authority. As a Crown corporation, the Corporation is subject to Part X of the *Financial Administration Act* (FAA). On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (FBCL). On February 13, 2014, as authorized by an Order in Council by the Governor in Council dated February 10, 2014, FBCL transferred all its shares in The Jacques Cartier and Champlain Bridges Incorporated to the Minister of Transport on behalf of Her Majesty in right of Canada. Pursuant to a second Order in Council, the Governor in Council designated the President of the Privy Council as the appropriate Minister for the Corporation effective February 13, 2014. After this transfer, the Corporation became a parent Crown corporation listed under Part I, Schedule III of the FAA. On November 4, 2015, pursuant to a new Order in Council, the Governor in Council designated the Minister of Infrastructure, Communities and Intergovernmental Affairs as the appropriate Minister for the Corporation.

Since December 1, 1978, the Corporation has been responsible for the management, maintenance and control of the Jacques Cartier Bridge, the original Champlain Bridge (now deconstructed) and a section of the Bonaventure Expressway. On October 1, 1998, in accordance with a directive issued by the Minister of Transport under the *Canada Marine Act*, the Corporation became responsible for managing the federal section of the Honoré Mercier Bridge and the Melocheville Tunnel. The management of the Champlain Bridge Estacade (ice control structure) was transferred to the Corporation from the Minister of Transport on December 2, 1999. On April 1, 2015, the south and north approaches to the original Champlain Bridge were transferred by Order in Council, meaning the Corporation is no longer responsible for the management and maintenance of the lands and structures constituting the transferred assets, with the exception of a few parcels of land at the north and south approaches. On November 12, 2024, ownership and management of the Québec Bridge structure were transferred to the Corporation by the Government of Canada. The railway deck corridor remains the property of the Canadian National Railway Company (CN). The road deck and sidewalk are under the responsibility of the Ministère des Transports et de la Mobilité durable (MTMD) of Québec.

In July 2015, the Corporation received a directive (P.C. 2015-1112) under section 89 of the FAA to harmonize its travel, hospitality, conference and event expenditure policies, guidelines and practices with the Treasury Board of Canada’s related policies, directives and instruments in a manner that is consistent with its legal obligations and to report on the implementation of this directive in its next corporate plan. The Corporation confirms that it has met the requirements of this directive since December 2015.

In January 2026, the Corporation received a directive (P.C. 2026-0016) under section 89 of the FAA to align its policies, guidelines and practices with the *“Buy Canadian” Procurement Policy Framework* and the policy instruments issued under section 6 of that framework, as amended from time to time, in a manner consistent with its mandate; and to ensure, where applicable and to the extent possible, that its wholly owned subsidiaries and subsidiaries within the meaning of Part X of the FAA do the same, and to report on the implementation of this directive in its next corporate plan. The Corporation has begun aligning its policies, directives and practices with the requirements of this directive.

The Corporation is not subject to income tax legislation.

The Corporation is dependent on the Government of Canada for its funding.

### 4.7.2 SIGNIFICANT ACCOUNTING POLICIES

These Interim Financial Statements have been prepared by management in accordance with the Canadian Public Sector Accounting Standards (CPSAS).

The main accounting policies followed by the Corporation are the following:

**Cash and Cash Equivalents**

Cash and cash equivalents held during the fiscal year include cash, demand deposits and short-term investments maturing within less than three months from the date of acquisition. Cash equivalents are considered highly liquid investments; they are readily convertible into a known amount of cash, their value is not subject to significant change, and they are held to meet short-term cash commitments rather than for investment purposes.

**Government Transfers**

Government transfer payments are recognized as revenue when the transfer is authorized and eligibility criteria are met, except to the extent that the stipulations give rise to an obligation that meets the definition of a liability. The transfers are recognized as unearned revenue when stipulations lead to the creation of a liability. The revenue is recognized in the Statement of Operations as the stipulations are met. Any portion of government transfers to which the Corporation is entitled, but has not yet received, is recognized under Due from the Government of Canada.

**Tangible Capital Assets**

Tangible capital assets are recognized at cost. Replacements and major improvements that extend the service life of existing assets are capitalized. Repair and maintenance costs are charged to operations when they are incurred. Costs that increase their service capacity, safety or effectiveness are capitalized.

Amounts related to projects in progress are transferred to the appropriate tangible capital assets category when the project is completed and are amortized in accordance with the Corporation's policy.

Capital assets received as contributions from departments, agencies and Crown corporations within the jurisdiction of the Government of Canada or other governments are recognized at their fair market value at the date of transfer.

Tangible capital assets, including the capitalized portion relating to the asset retirement obligation, are amortized based on the estimated useful life of the components, on a straight-line basis, over the following periods:

- Bridges, roads and promenades: between 2 and 48 years;
- Buildings: 40 years;
- Vehicles and equipment: between 5 and 15 years;
- Other:
    - Furniture: 10 years;
    - Leasehold improvements: the lesser of the useful life or the term of the lease;
    - Computer equipment: 3 years.

When the conditions indicate that a tangible capital asset no longer contributes to the ability of the Corporation to provide services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying value, the cost of the tangible capital asset is reduced to reflect the impairment. Net write-downs on tangible capital assets are recorded as expenses in the Statement of Operations.

## Employee Future Benefits

### Pension Plan

All employees of the Corporation are covered by the Public Service Pension Plan (the "Plan"). This is a contributory-defined benefit plan established by law and sponsored by the Government of Canada. Employees and the Corporation must contribute to the Plan to cover the cost of services rendered during the fiscal year. Under current legislation, the Corporation has no legal or constructive obligation to pay additional contributions to cover past services or to fund deficiencies of the Plan. Consequently, contributions are charged to expenses in the fiscal year during which the employees render the services, and these contributions represent the total pension obligation of the Corporation. The Corporation is not required by law to make up for the actuarial deficiencies of the Plan.

### Post-Employment Benefits and Compensated Absences

Employees are entitled to days of sick leave and compensation for work injuries, as provided for under their conditions of employment. Employees of the Corporation are paid annually for the unused portion of their days of sick leave. These annual payments are recognized directly in current costs for the fiscal year. Before December 9, 2016, unionized employees accumulated their unused days of sick leave, which were redeemable at the end of their employment with the Corporation. The Corporation has recorded a liability for employees with banked leave balances at that date, who have elected to retain them until their departure.

In addition, as the employees of the Corporation are subject to the *Government Employees Compensation Act*, the Corporation recognizes the cost of compensation for work injuries payable at the time the event obligating the Corporation occurs. The liability that these benefits represent is determined based on management's best assumptions in terms of salary increases, age of employees, years of service, the probability of employees leaving, and average life expectancy. These assumptions are reviewed annually. Post-employment benefits and compensated absences are recognized at present value.

## Environmental Obligations

Whenever the Corporation accepts responsibility for sites where contamination exceeds environmental standards, when it plans to give up future economic benefits to that effect, and when the amount involved can be reasonably estimated, an obligation for the clean-up of the contaminated sites is recognized as a liability in the Statement of Financial Position. The estimated future costs are recognized as a liability and are based on the present value of the estimated cash flows associated with the most likely costs to be incurred. If it proves impossible to make a reasonable estimate of the amount, the situation will be disclosed through a note to the financial statements. Other expenses related to environmental measures are recognized as an Environmental Obligation expense as they are incurred.

## Financial Instrument Assets and Liabilities

The Corporation identifies, assesses, and manages the financial risks to minimize the impact thereof on its results and financial position. The Corporation neither engages in speculative transactions nor uses derivatives.

The accounting of financial instruments depends on their classification as presented in the following table:

| CATEGORIES | FINANCIAL INSTRUMENTS | MEASUREMENT |
|---|---|---|
| Financial Assets | Cash<br>Accounts Receivable (other than taxes receivable) | Cost or Amortized Cost |
| Financial Liabilities | Accounts Payable and Accrued Liabilities<br>Contractual Holdbacks | Cost or Amortized Cost |

**Contingencies**

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingencies include contingent liabilities and contingent assets.

Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized, and an expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the Financial Statements.

Contingent assets are possible assets that could become assets if one or more future events occur. If the future event is likely to occur, the existence of the contingent asset is disclosed in the notes to the Financial Statements.

**Measurement Uncertainty**

In preparing the Financial Statements in accordance with the CPSAS, management must use estimates and assumptions that affect the reported amounts of assets and liabilities and the presentation of assets and contingent liabilities at the date of the Financial Statements, as well as the amounts of the revenue and expenses recognized during the period covered by the Financial Statements. Actual results could differ significantly from these estimates.

The most significant estimates used in the preparation of these financial statements relate in particular to the useful life of tangible capital assets, the estimate of the capitalization of professional services, asset transfers, accrued liabilities and claims received from suppliers, the liability for employee future benefits, as well as contingencies.

Environmental liabilities are also subject to measurement uncertainty due to the constantly evolving technologies used in contaminated site remediation activities, the use of the present value of estimated future costs, inflation, rising interest rates, and the fact that not all sites have been subject to a full assessment of the extent and nature of the remediation. Changes in underlying assumptions, timing of expenditures and technology used, revisions to environmental standards, or changes in regulations could result in material changes to the liabilities recognized.

The establishment of the fair value of transferred assets is subject to measurement uncertainty, attributable to the complex and specialized nature of certain assets, fluctuations in economic and sectoral conditions, the application of valuation methodologies based on economic parameters and assumptions, as well as the limited availability of comparable market data for assets of similar nature in the public sector. Notwithstanding the use of professional expertise and the application of established valuation standards in accordance with generally accepted accounting principles, any changes in fundamental economic assumptions, discount factors applied, methodological approaches selected, or any substantial modification in macroeconomic parameters could result in adjustments to the amounts recorded as fair value for these assets.

**Revenue**

During the fiscal year, the Corporation recognized revenue for services rendered under a long-term service agreement with Housing, Infrastructure and Communities Canada (HICC). Under this agreement, the Corporation acts as principal and not as agent. When an entity acts as principal, revenue must be recognized at the gross amount in its financial statements.

**Budgetary Data**

Budgetary data included in the Interim Financial Statements were provided for comparison purposes and approved by the Board of Directors. The budget for the accumulated surplus at the beginning of the fiscal year is adjusted annually to reflect the actual amount at the time the budget is prepared. It therefore differs from the amount published in the prior year. The budgetary data are consistent with the initial budget approved in the Corporation's 2026–2031 Corporate Plan.

### 4.7.3 ADOPTION OF NEW ACCOUNTING STANDARDS

**a) Adoption of Section PS 1202 – "Financial Statement Presentation"**

Effective April 1, 2026, the Corporation adopted Section PS 1202, "Financial Statement Presentation," concurrently with the revised Conceptual Framework, as required by the Public Sector Accounting Board (PSAB). This standard replaces Section PS 1201 and introduces significant changes to the presentation of financial statements. Comparative information has been restated to reflect the new requirements. The main impacts of these changes on the Corporation's financial statements are as follows:

Amendments to the Statement of Financial Position as follows:

+ Introduction of the classification of liabilities into two categories: financial liabilities and non-financial liabilities. A financial liability is a liability that is expected to be settled using existing or future financial assets. A non-financial liability is a liability that does not meet the definition of a financial liability. Unearned revenues are the Corporation's only non-financial liabilities.
+ Updated definition of non-financial assets. A financial asset is an asset that could be used to discharge existing financial liabilities or spend on future operations and is not for consumption in the normal course of operations. A non-financial asset is an asset that does not meet the definition of a financial asset. The change in the definition of non-financial assets had no impact on the Corporation's financial statements.
+ Restructuring of the Statement of Financial Position to present assets, followed by liabilities, followed by net assets, with subtotals.

Addition of a new statement entitled Statement of Net Financial Liabilities:

+ This statement now presents the revised calculation of net financial liabilities (financial assets less financial liabilities), replacing the former net debt indicator under Section PS 1201.

No significant impact on the Statement of Operations or on the table of cash flows. It should be noted that accumulated surplus at the beginning and end of the fiscal year are now presented in the Statement of Changes in Net Assets.

Addition of a new statement entitled Statement of Changes in Net Assets:

+ This statement presents the reconciliation between the opening and closing balances of each component of the Corporation's net assets.

The adoption of Section PS 1202 has not resulted in any changes to the recognition or measurement of the Corporation's assets, liabilities, revenues, or expenses. The impacts are strictly related to the presentation.

**b) Adoption of the PSAB Conceptual Framework**

Concurrently with the adoption of Section PS 1202, the Corporation adopted the revised Conceptual Framework for Financial Reporting in the Public Sector. This Conceptual Framework establishes the fundamental principles of presentation for the following elements:

- Characteristics of public sector entities;
- Financial reporting objectives and the role of financial statements;
- The foundations and objectives of financial statements and information therein;
- Elements of financial statements;
- Recognition, measurement, and presentation concepts for financial statements.

The Conceptual Framework does not replace specific standards and serves as a guide when no standard addresses a particular transaction. Based on the analysis performed by the Corporation, the adoption of the Conceptual Framework resulted in:

- No changes to existing accounting policies. The Corporation's current accounting policies are consistent with the Conceptual Framework;
- No new accounting practices developed by the entity;
- No adjustments to the presentation of the financial statements other than those directly required by Section PS 1202.

### 4.7.4 ACCOUNTS RECEIVABLE

The Corporation's accounts receivable consist of the following:

| *(in thousands of Canadian dollars)* | June 30, 2026<br>$ | March 31, 2026<br>$ |
|---|---|---|
| Due from the Government of Canada | - | 28,545 |
| Taxes Receivable | 3,189 | 3,593 |
| Re-invoicing of Work to Business Partners | 233 | 177 |
| Other Accounts Receivable | 109 | 39 |
| **Total Accounts Receivable** | **3,531** | **32,354** |

### 4.7.5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Corporation's accounts payable and accrued liabilities consist of the following:

| *(in thousands of Canadian dollars)* | June 30, 2026<br>$ | March 31, 2026<br>$ |
|---|---|---|
| Suppliers and Accrued Liabilities | 60,840 | 66,841 |
| Wages and Employee Benefits | 1,355 | 2,386 |
| **Total Accounts Payable and Accrued Liabilities** | **62,195** | **69,227** |

### 4.7.6 CONTRACTUAL HOLDBACKS

Contractual holdbacks (including performance holdbacks and warranty holdbacks) represent the total amount that the Corporation temporarily retains on amounts due to contractors during the performance of the work to guarantee that they fulfill their obligations pertaining to the warranties for rectification and correction of defects, faults, and poor workmanship in the work performed. The warranty periods applicable to each contract begin following the issuance of the Interim Certificate of Completion for the work covered. The Corporation then releases the 5% contractual holdback (designated as performance holdback) and retains a new amount ranging from 1.5% to 2.5% as a contractual holdback (designated as warranty holdback).

The contracts provide that the Corporation will pay the second portion of the contractual holdback (designated as warranty holdback), less any amount owed by the contractor under the terms of the contract, if applicable, after the warranty period expires.

### 4.7.7 ENVIRONMENTAL OBLIGATIONS

The Corporation conducts an inventory of all lands under its management to classify their environmental condition and prioritize interventions if required. The Corporation's portfolio includes a number of lands where soil contamination exceeds acceptable criteria. The affected lands are located at the Jacques Cartier Bridge, the site of the original Champlain Bridge, along the Bonaventure Expressway, and at the Honoré Mercier Bridge.

The Corporation has identified a total of 18 sites (18 as at March 31, 2026) that may be contaminated and require assessment, remediation, or a risk management and monitoring strategy. For 7 of the 18 sites (7 as at March 31, 2026), remediation measures or risk management strategies are in place or planned, for which a liability of $67.2M ($75.0M as at March 31, 2026) has been recognized.

Regarding the 11 sites that have not been subject to risk management strategies or remediation measures (11 as at March 31, 2026), 10 of them are at various stages of testing and assessment (10 as at March 31, 2026). If remediation or a risk management strategy is required, the Corporation expects to forgo future economic benefits to that effect, and a liability will be recognized as soon as a reasonable estimate can be determined. As for the last site, the Corporation does not expect to forgo future economic benefits given the likely absence of environmental impact or a significant threat to human health.

The following table presents the estimated total environmental liabilities by sector as at June 30, 2026, based on the following assumptions:

+ The discount rates are determined based on the actual zero-coupon yield curve for Government of Canada bond market, as published by the Bank of Canada. The discount rate as at June 30, 2026, ranges from 2.52% to 3.66% (as at March 31, 2026 – 2.59% to 3.72%);
+ The inflation rate of 4.04% as at June 30, 2026 (4.04% as at March 31, 2026) is based on the Non-Residential Building Construction Price Index.

| *(in thousands of inflation-indexed Canadian dollars)* | **June 30, 2026** $ | | **March 31, 2026** $ | |
|---|---|---|---|---|
| **Sectors** | **Liabilities (Undiscounted and Indexed)** | **Liabilities (Discounted and Indexed)** | **Liabilities (Undiscounted and Indexed)** | **Liabilities (Discounted and Indexed)** |
| Bonaventure Expressway: East Sector [1] | 16,414 | **12,375** | 18,058 | **13,596** |
| Bonaventure Expressway: West Sector [1] | 7,559 | **5,872** | 7,513 | **5,815** |
| Bonaventure Expressway – Reconfiguration [2] | 56,120 | **48,716** | 63,695 | **55,106** |
| Héritage Champlain [3] | 174 | **174** | 142 | **138** |
| Jacques Cartier Bridge [4] | 80 | **80** | 309 | **301** |
| **Total** | 80,347 | **67,217** | 89,717 | **74,956** |

(1) East and West Sectors of the Bonaventure Expressway
As at June 30, 2026, the priority environmental issue for the Corporation remains the lands located in the Bonaventure Expressway sector. These lands, which have been managed by the Corporation since 1978, are located on a portion of and close to a former landfill site operated by the City of Montreal between 1866 and 1966. This former landfill site covers several tracts of land belonging to different owners. Since 2003, the Corporation has conducted studies and toxicity tests of the groundwater at this location. The tests have revealed groundwater contaminated beyond acceptable criteria. Given the complexity of the file, the presence of numerous owners, and the significant costs involved, the federal government has opted for integrated solutions to the site's environmental problem. This site can be divided into two parts: the East Sector and the West Sector.

For the East Sector, containment and pumping operations began in 2018. For the West Sector, groundwater containment and treatment plant operations began in 2017. The Corporation is managing this project. The portion of costs borne by the Corporation for the West Sector is 50% of the total costs to be incurred.

The obligations for the East and West Sectors represent management's best estimate of the expected expenses for the containment, treatment, and pumping operations and are based on the costs of contracts already awarded. The duration of operations included in the obligations related to these sectors is estimated at 15 years. The duration of operations will extend beyond this period, but it is impossible at this time to determine the costs beyond 15 years. There is no residual value to the projects.

(2) Bonaventure Expressway – Reconfiguration
In 2024–2025, the Corporation began the project to reconfigure the Bonaventure Expressway into a boulevard. As this section of the expressway is located in a highly contaminated zone, the project includes a major environmental component. Different environmental intervention strategies will be deployed based on the various issues in the sector. These strategies include protecting the free-phase

hydrocarbon (FPH) containment structures by stabilizing the banks, adding a groundwater containment and treatment system on the section west of the Clément Bridge, managing biogas, stabilizing soils affected by the degradation of residual materials, managing excavated materials from the work, disposing of excess soils, and installing clean soil barrier layers.

The obligation represents management's best estimate of the costs expected to be incurred for this work over the life of the project, as well as for the long-term operation of the system, the duration of which is currently estimated at 15 years. However, the duration of the system's operation will extend beyond this period, but it is impossible at this time to determine the costs beyond 15 years. The project has no residual value. This estimate is based on expert reports and on information available as at the date of the Interim Financial Statements.

(3) Héritage Champlain
This project consisted of redeveloping the land freed up by the deconstruction of the original Champlain Bridge and, in particular, carrying out wildlife enhancement work to restore fish habitats. Characterizations carried out in 2023 confirmed the presence of contaminated soils. The environmental management strategy for this project consisted mainly of managing excavated materials generated by the work, disposing of excess soils in accordance with applicable standards, and installing clean soil barrier layers.

(4) Jacques Cartier Bridge
Ongoing projects at the Jacques Cartier Bridge include the rehabilitation of the Île Sainte-Hélène Pavilion, as well as the redevelopment of the Plaza area following the deconstruction of the former toll booth building. This second project also includes revegetating the area with the creation of bioretention basins.

Characterizations carried out between 2020–2021 and 2024–2025 show concentrations of contaminated soil above acceptable criteria.

The environmental strategy for these two projects consists of managing the excavated materials generated by the work. The excavated soil will be managed according to applicable standards based on its level of contamination and will be replaced with clean soil. The obligation represents management's best estimate of the costs required to manage these soils.

## 4.7.8 TANGIBLE CAPITAL ASSETS

| *(in thousands of Canadian dollars)* | Lands<br>$ | Bridges, Roads and Promenades<br>$ | Buildings<br>$ | Vehicles and Equipment<br>$ | Others<br>$ | Projects in Progress<br>$ | Total<br>$ |
|---|---|---|---|---|---|---|---|
| **COST** | | | | | | | |
| **April 1, 2025** | 5,250 | 879,620 | 31,114 | 6,814 | 10,957 | 75,920 | 1,009,675 |
| Acquisitions | - | 73,275 | 1,558 | 314 | 8,165 | 82,851 | 166,163 |
| Disposals | - | - | - | - | - | - | - |
| Asset Retirement | - | - | - | - | (444) | - | (444) |
| Transfers | - | 43,334 | 1,975 | - | 3,473 | (48,782) | - |
| **March 31, 2026** | **5,250** | **996,229** | **34,647** | **7,128** | **22,151** | **109,989** | **1,175,394** |
| Acquisitions | 62 | (2,575) | (347) | - | 914 | 7,565 | 5,619 |
| Disposals | - | - | - | - | - | - | - |
| Asset Retirement | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - | - |
| **June 30, 2026** | **5,312** | **993,654** | **34,300** | **7,128** | **23,065** | **117,554** | **1,181,013** |
| **ACCUMULATED AMORTIZATION** | | | | | | | |
| **April 1, 2025** | - | 317,005 | 3,657 | 3,220 | 9,809 | - | 333,691 |
| Amortization | - | 30,637 | 796 | 511 | 1,538 | - | 33,482 |
| Disposals | - | - | - | - | - | - | - |
| Asset Retirement | - | - | - | - | (444) | - | (444) |
| **March 31, 2026** | **-** | **347,642** | **4,453** | **3,731** | **10,903** | **-** | **366,729** |
| Amortization | - | 8,460 | 208 | 129 | 613 | - | 9,410 |
| Disposals | - | - | - | - | - | - | - |
| Asset Retirement | - | - | - | - | - | - | - |
| **June 30, 2026** | **-** | **356,102** | **4,661** | **3,860** | **11,516** | **-** | **376,139** |
| **NET CARRYING VALUE** | | | | | | | |
| **March 31, 2026** | **5,250** | **648,587** | **30,194** | **3,397** | **11,248** | **109,989** | **808,665** |
| **June 30, 2026** | **5,312** | **637,552** | **29,639** | **3,268** | **11,549** | **117,554** | **804,874** |

| *(in thousands of Canadian dollars)* | Twelve Months Ended<br>March 31, 2027<br>Budget<br>$ | Three Months Ended<br>June 30, 2026<br>Actual<br>$ |
|---|---|---|
| Acquisitions | 121,743 | 5,619 |
| Amortization | 38,470 | 9,410 |

### 4.7.9 SHARE CAPITAL

The authorized share capital is 50 shares without par value, and the Corporation has issued and fully paid 1 share in the amount of $100.

### 4.7.10 CONTINGENCIES

**Legal Proceedings and Claims**

In the normal course of its operations, the Corporation is subject to claims or lawsuits, the outcome of which cannot be predicted with certainty. Management has recognized provisions that it deems sufficient and is of the opinion that the resolution of such contingencies, which arise in the normal course of business, should not have a significant adverse effect on the Corporation's financial position. These provisions are recognized under "Suppliers and Accrued Liabilities" in Note 4.7.5 – Accounts Payable and Accrued Liabilities. The Corporation does not disclose the amounts involved as such disclosure could prejudice the outcome of the litigation.

As at June 30, 2026, there is a contingent asset that is the subject of a legal action initiated by the Corporation against a contractor and certain consultants, for which the estimated amount cannot be determined. No contingent asset is recognized in the Interim Financial Statements.

**Other Contingencies**

a) The Corporation has signed agreements to install, maintain and use cables or conduits on lands it does not own. In the event of the termination of these agreements, the Corporation will be required to remove its equipment at its own expense. As at June 30, 2026, neither the owners of the lands nor the Corporation has indicated an intention to terminate the agreements. Therefore, no contingent liability related to these capital assets has been recognized.

b) The Corporation holds a structure erected on lands for which the owner has transferred management and administration to the Government of Canada. The owner of the lands could reclaim them in the event of a change of use, without any compensation for the structure in question, provided that it is in a condition satisfactory to the owner. At this point in time, the Corporation has no intention of changing the current use of these lands. Therefore, no liability has been recognized in respect of this capital asset.

c) The Corporation holds other structures also erected on lands whose owner has transferred the administration to the Government of Canada. In the event that any of these lands are no longer required or cease to be used for the purposes for which the transfer of administration was granted, such land shall revert to the owner, who will advise whether the structures, constructions, or improvements built thereon are required. The land must have been restored to good condition to the satisfaction of the owner and in accordance with the agreed environmental requirements, all without compensation. An asset retirement obligation had been recognized for the restoration of the water lot in the channel on which the Île des Sœurs bypass bridge was constructed. The work having been completed, this obligation expired as at March 31, 2025. For the other lands, there is uncertainty as to when restoration may take place. The Corporation is therefore not in a position to estimate the restoration costs. No liability relating to the retirement of these capital assets has thus been recognized.

### 4.7.11 RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all departments, agencies and Crown corporations created by the Government of Canada, as well as to the Corporation's Board of Director members, Chief Executive Officer and Senior Directors, close family members thereof and entities subjected to the control of said individuals. The Corporation enters into transactions with these entities in the normal course of business. These transactions are recognized at the exchange amount, except for the cost of the audit of the Financial Statements, which is carried out without consideration and is not recognized in the Statement of Operations.

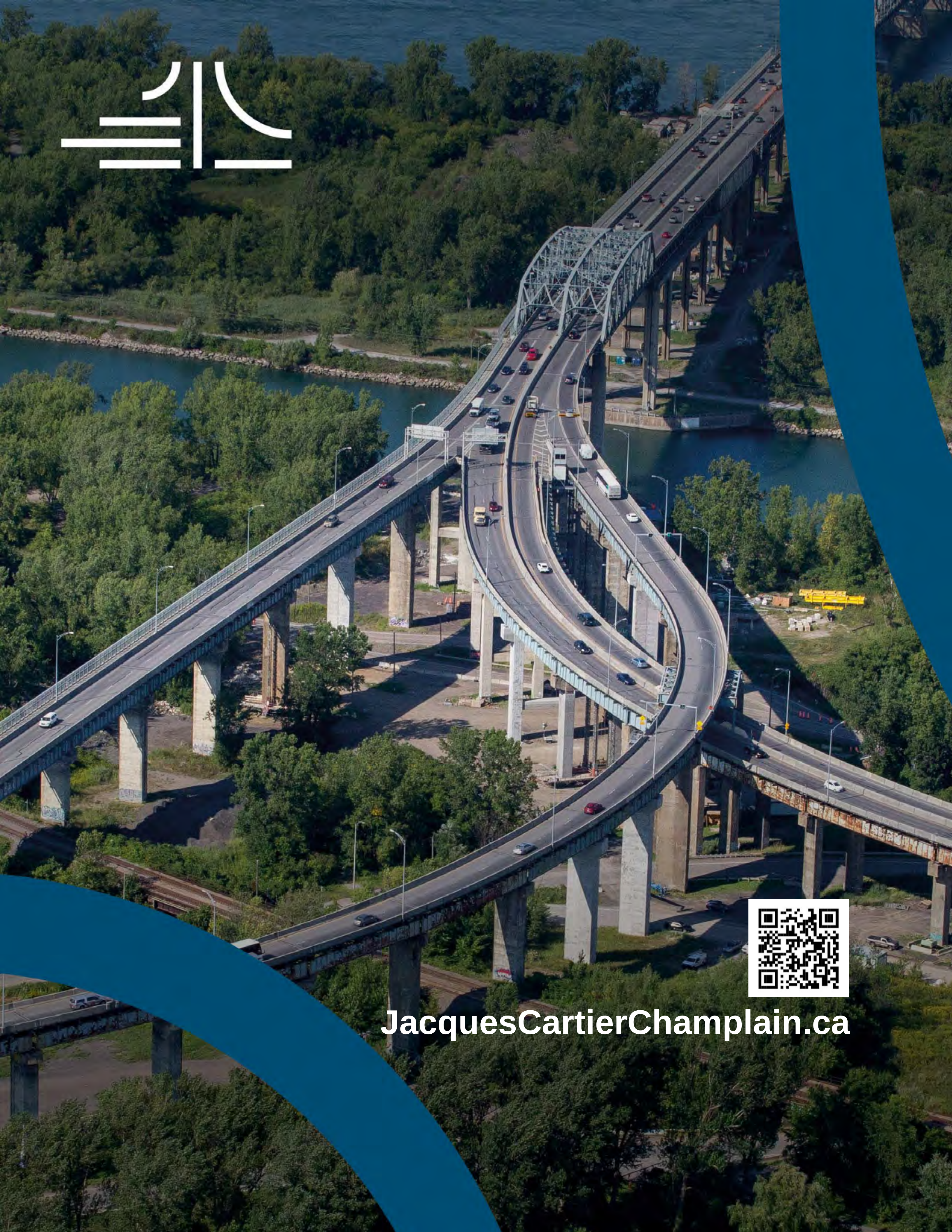
During the quarter ended June 30, 2026, the Corporation recognized revenue under "Other Sources" for services rendered on infrastructure located in the Province of Québec under a service agreement with HICC. The amounts receivable are included under "Re-invoicing of Work to Business Partners" in Note 4.7.4 – Accounts Receivable. There is no contingent liability related to this agreement.

### 4.7.12 EXPENSES BY TYPE

| *(in thousands of Canadian dollars)* | **June 30, 2026**<br>**$** | **June 30, 2025**<br>**$** |
|---|---|---|
| Regular and Major Maintenance | 36,065 | 50,243 |
| Environmental Obligations | (3,741) | (15,226) |
| Amortization of Tangible Capital Assets | 9,410 | 7,723 |
| Salaries and Employee Benefits | 6,844 | 7,259 |
| Professional Services | 3,707 | 3,700 |
| Goods and Services | 2,866 | 1,967 |
| **Total Expenses** | **55,151** | **55,666** |

### 4.7.13 PARLIAMENTARY APPROPRIATIONS

| *(in thousands of Canadian dollars)* | **June 30, 2026**<br>**$** | **June 30, 2025**<br>**$** |
|---|---|---|
| Parliamentary Appropriations Requested | 58,945 | 62,560 |
| Long-term Contractual Holdbacks | (515) | (1,117) |
| **Total Parliamentary Appropriations Recognized as Revenue** | **58,430** | **61,443** |
| **Distribution** | | |
| Portion of Transfer Payments for Operating Expenses | 52,811 | 64,064 |
| Portion of Transfer Payments for Tangible Capital Assets | 5,619 | (2,621) |
| **Total Parliamentary Appropriations Recognized as Revenue** | **58,430** | **61,443** |



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