



# WSP GLOBAL INC.

## Unaudited Interim Condensed Consolidated Financial Statements

for the three-month period ended  
March 30, 2024

May 8, 2024



**WSP GLOBAL INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF EARNINGS**  
**(UNAUDITED)**

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(in millions of Canadian dollars, except number of shares and per share data)

<b>For the three-month periods ended</b>	<b>March 30, 2024</b>	<b>April 1, 2023</b>
	\$	\$
<b>Revenues (note 5)</b>	<b>3,585.1</b>	<b>3,489.5</b>
Personnel costs	2,090.6	2,014.4
Subconsultants and direct costs	791.8	822.4
Other operational costs	267.0	247.9
Depreciation of right-of-use assets (note 9)	73.6	76.1
Amortization of intangible assets	56.0	60.0
Depreciation of property and equipment	31.0	29.8
Acquisition, integration and reorganization costs (note 6)	21.2	23.6
ERP implementation costs (note 6)	15.6	18.3
Exchange losses	0.6	3.5
Share of income of associates and joint ventures, net of tax	(6.6)	(6.4)
<b>Earnings before net financing expense and income taxes</b>	<b>244.3</b>	<b>199.9</b>
Net financing expense (note 7)	71.1	45.6
<b>Earnings before income taxes</b>	<b>173.2</b>	<b>154.3</b>
Income tax expense	46.4	40.9
<b>Net earnings</b>	<b>126.8</b>	<b>113.4</b>
<b>Net earnings attributable to:</b>		
Shareholders of WSP Global Inc.	126.8	112.5
Non-controlling interests	—	0.9
	<b>126.8</b>	<b>113.4</b>
Basic net earnings per share attributable to shareholders	1.02	0.90
Diluted net earnings per share attributable to shareholders	1.01	0.90
Basic weighted average number of shares	124,670,918	124,531,822
Diluted weighted average number of shares	125,046,024	124,853,450

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

**INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
(UNAUDITED)**

(in millions of Canadian dollars)

For the three-month periods ended	March 30, 2024	April 1, 2023
	\$	\$
<b>Net earnings</b>	126.8	113.4
<b>Other comprehensive income (loss)</b>		
Items that may be reclassified subsequently to net earnings		
Currency translation adjustments	22.5	4.5
Translation adjustments on financial instruments designated as a net investment hedge	(3.0)	(2.3)
Losses on financial instruments designated as a cash flow hedge	(0.4)	(5.6)
Income tax recovery on items that may be reclassified subsequently to net earnings	0.5	2.5
Items that will not be reclassified to net earnings		
Actuarial loss on pension schemes	(1.1)	(7.7)
Exchange differences on pension schemes	(0.6)	(0.3)
Income tax recovery on pension schemes	0.3	1.9
<b>Total comprehensive income for the period</b>	<b>145.0</b>	<b>106.4</b>
<b>Comprehensive income attributable to:</b>		
Shareholders of WSP Global Inc.	145.0	105.5
Non-controlling interests	—	0.9
	<b>145.0</b>	<b>106.4</b>

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

**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
(UNAUDITED)**

(in millions of Canadian dollars)

As at	March 30, 2024	December 31, 2023
<b>Assets</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Cash and cash equivalents (note 15)	341.6	378.0
Trade receivables and other receivables	2,592.6	2,726.4
Cost and anticipated profits in excess of billings	2,272.0	1,911.6
Prepaid expenses	262.7	239.4
Other financial assets	124.7	123.3
Income taxes receivable	31.6	38.4
	<b>5,625.2</b>	<b>5,417.1</b>
<b>Non-current assets</b>		
Right-of-use assets (note 9)	835.7	824.2
Intangible assets	1,061.4	1,104.1
Property and equipment	427.1	435.3
Goodwill (note 10)	7,248.1	7,155.8
Deferred income tax assets	472.5	429.3
Other assets	217.7	217.3
	<b>10,262.5</b>	<b>10,166.0</b>
<b>Total assets</b>	<b>15,887.7</b>	<b>15,583.1</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	2,458.5	2,738.2
Billings in excess of costs and anticipated profits	1,330.2	1,158.0
Income taxes payable	190.2	171.0
Provisions	133.8	134.9
Dividends payable to shareholders (note 14)	46.8	46.8
Current portion of lease liabilities (note 9)	262.6	257.5
Current portion of long-term debt (note 11)	259.7	204.2
	<b>4,681.8</b>	<b>4,710.6</b>
<b>Non-current liabilities</b>		
Long-term debt (note 11)	3,297.4	3,058.3
Lease liabilities (note 9)	740.4	744.6
Provisions	395.7	399.3
Retirement benefit obligations	188.3	187.5
Deferred income tax liabilities	152.3	149.4
	<b>4,774.1</b>	<b>4,539.1</b>
<b>Total liabilities</b>	<b>9,455.9</b>	<b>9,249.7</b>
<b>Equity</b>		
Equity attributable to shareholders of WSP Global Inc.	6,431.8	6,328.9
Non-controlling interests	—	4.5
<b>Total equity</b>	<b>6,431.8</b>	<b>6,333.4</b>
<b>Total liabilities and equity</b>	<b>15,887.7</b>	<b>15,583.1</b>

**Approved by the Board of Directors**

(signed) Alexandre L'Heureux

Director

(signed) Louis-Philippe Carrière

Director

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**INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
(UNAUDITED)**

(in millions of Canadian dollars)

	Attributable to Shareholders of WSP Global Inc.						
	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total	Non-controlling interests	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance - January 1, 2024</b>	<b>4,815.3</b>	<b>216.3</b>	<b>1,322.6</b>	<b>(25.3)</b>	<b>6,328.9</b>	<b>4.5</b>	<b>6,333.4</b>
<b>Comprehensive income</b>							
Net earnings	—	—	126.8	—	126.8	—	126.8
Other comprehensive income	—	—	—	18.2	18.2	—	18.2
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>126.8</b>	<b>18.2</b>	<b>145.0</b>	<b>—</b>	<b>145.0</b>
Declared dividends to shareholders of WSP Global Inc.	—	—	(46.8)	—	(46.8)	—	(46.8)
Stock-based compensation expense	—	1.5	—	—	1.5	—	1.5
Exercise of stock options (note 12)	2.8	(0.5)	—	—	2.3	—	2.3
Purchase of non-controlling interests	—	—	0.9	—	0.9	(4.5)	(3.6)
	<b>2.8</b>	<b>1.0</b>	<b>(45.9)</b>	<b>—</b>	<b>(42.1)</b>	<b>(4.5)</b>	<b>(46.6)</b>
<b>Balance - March 30, 2024</b>	<b>4,818.1</b>	<b>217.3</b>	<b>1,403.5</b>	<b>(7.1)</b>	<b>6,431.8</b>	<b>—</b>	<b>6,431.8</b>
<b>Balance - January 1, 2023</b>	<b>4,784.4</b>	<b>212.4</b>	<b>959.5</b>	<b>49.7</b>	<b>6,006.0</b>	<b>3.1</b>	<b>6,009.1</b>
<b>Comprehensive income</b>							
Net earnings	—	—	112.5	—	112.5	0.9	113.4
Other comprehensive loss	—	—	—	(7.0)	(7.0)	—	(7.0)
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>112.5</b>	<b>(7.0)</b>	<b>105.5</b>	<b>0.9</b>	<b>106.4</b>
Declared dividends to shareholders of WSP Global Inc.	—	—	(46.7)	—	(46.7)	—	(46.7)
Common shares issued under the DRIP	14.5	—	—	—	14.5	—	14.5
Stock-based compensation expense	—	1.2	—	—	1.2	—	1.2
Exercise of stock options (note 12)	0.9	(0.1)	—	—	0.8	—	0.8
	<b>15.4</b>	<b>1.1</b>	<b>(46.7)</b>	<b>—</b>	<b>(30.2)</b>	<b>—</b>	<b>(30.2)</b>
<b>Balance - April 1, 2023</b>	<b>4,799.8</b>	<b>213.5</b>	<b>1,025.3</b>	<b>42.7</b>	<b>6,081.3</b>	<b>4.0</b>	<b>6,085.3</b>

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**WSP GLOBAL INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

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(in millions of Canadian dollars)

<b>For the three-month periods ended</b>	<b>March 30, 2024</b>	<b>April 1, 2023</b>
	\$	\$
<b>Operating activities</b>		
Net earnings	126.8	113.4
Adjustments (note 15)	149.4	141.4
Net financing expense (note 7)	71.1	45.6
Income tax expense	46.4	40.9
Income taxes paid	(50.7)	(74.9)
Change in non-cash working capital items (note 15)	(353.4)	(291.0)
<b>Cash outflows used in operating activities</b>	<b>(10.4)</b>	<b>(24.6)</b>
<b>Financing activities</b>		
Net proceeds of long-term debt	194.2	146.5
Lease payments (note 9)	(90.8)	(94.7)
Net financing expenses paid, excluding interest on lease liabilities	(49.7)	(46.2)
Dividends paid to shareholders of WSP Global Inc.	(46.8)	(32.2)
Issuance of common shares, net of issuance costs (note 12)	2.3	0.8
<b>Cash inflows from (outflows used in) financing activities</b>	<b>9.2</b>	<b>(25.8)</b>
<b>Investing activities</b>		
Net disbursements related to business acquisitions	(35.8)	(104.2)
Additions to property and equipment, excluding business acquisitions	(24.2)	(17.4)
Additions to identifiable intangible assets, excluding business acquisitions	(4.0)	(4.9)
Proceeds from disposal of property and equipment	4.2	0.5
Other	(2.8)	1.1
<b>Cash outflows used in investing activities</b>	<b>(62.6)</b>	<b>(124.9)</b>
Effect of exchange rate change on cash and cash equivalents	(1.9)	(1.0)
<b>Change in net cash and cash equivalents</b>	<b>(65.7)</b>	<b>(176.3)</b>
Cash and cash equivalents, net of bank overdraft - beginning of the period	361.9	491.0
<b>Cash and cash equivalents, net of bank overdraft - end of period (note 15)</b>	<b>296.2</b>	<b>314.7</b>

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

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures are in millions of Canadian dollars, unless otherwise stated)

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**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

# 1 BASIS OF PRESENTATION

WSP Global Inc. (together with its subsidiaries, the “Corporation” or “WSP”) is a professional services consulting firm which provides technical expertise and strategic advice to clients in the Transportation & Infrastructure, Earth & Environment, Property & Buildings and Power & Energy market sectors. The Corporation also offers highly specialized services in project and program delivery and advisory services. The address of its main registered office is 1600 René-Lévesque Blvd. West, Montréal, Quebec, Canada.

The common shares of the Corporation are listed under the trading symbol “WSP” on the Toronto Stock Exchange (“TSX”).

## STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements have been prepared in compliance with IAS 34, “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB” and “IFRS”). These financial statements were prepared on a going concern basis, on a historical cost basis, except for certain financial assets and liabilities (including investments in securities and derivative instruments), liabilities for share unit plans, and contingent consideration, which are measured at fair value, and defined benefit liabilities, which are measured as the net total of the present value of the defined benefit obligations minus the fair value of plan assets.

These financial statements were approved by the Corporation’s Board of Directors on May 8, 2024.

# 2 MATERIAL ACCOUNTING POLICIES

The accounting policies followed in these interim condensed consolidated financial statements are the same as those described in the Corporation’s consolidated financial statements for the year ended December 31, 2023, except as described below.

All disclosures required for annual consolidated financial statements have not been included in these interim condensed consolidated financial statements. Therefore, these interim condensed consolidated financial statements should be read in conjunction with the Corporation’s consolidated financial statements for the year ended December 31, 2023.

These interim condensed consolidated financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Corporation’s results of operations, financial position and cash flows.

The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year. The Corporation experiences seasonal trends in its business. In general, the third and fourth quarters historically generate the largest contribution to revenues and earnings before net financing expense and income taxes, and the first

quarter the least. The Corporation's cash flows from operations are also, to a certain degree, subject to seasonal fluctuations, with the fourth quarter historically generating a higher amount of cash flows from operations.

The Corporation’s second and third quarters are always comprised of 13 weeks of operations. However, the number of weeks of operations in the first and fourth quarters will vary as the Corporation has a statutory December 31 year end. The first quarter results include the period from January 1, 2024 to March 30, 2024 and the comparative first quarter results include the period from January 1, 2023 to April 1, 2023.

## ACCOUNTING STANDARD AMENDMENTS EFFECTIVE IN 2024

The following amendments to existing standards were adopted by the Corporation on January 1, 2024 and had no impact on the Corporation’s consolidated financial statements.

## CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

In January 2020, IASB issued a narrow-scope amendment to IAS 1 - *Presentation of Financial Statements*, which clarifies that



## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period. Classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

### LONG-TERM DEBT COVENANTS

In October 2022, the IASB issued amendments to IAS 1 - *Presentation of Financial Statements*, which specify that for long-term debt with covenants to be complied with after the reporting date, such covenants do not affect the classification of debt as current or non-current at the reporting date, but do require disclosures in the notes to the financial statements.

## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the interim condensed consolidated financial statements requires management to make judgments, assumptions and estimates in applying the Corporation's accounting policies. The types of material judgments, estimates and assumptions made by management in applying the Corporation's accounting policies are the same as those applied and described in the annual consolidated financial statements for the year ended December 31, 2023.

Estimates and assumptions are continually evaluated and are based on historical trends and other factors, including expectations of future events that are likely to materialize under reasonable circumstances. Actual results will differ from estimates used, and such differences could be material.

## 4 OPERATING SEGMENTS

### SEGMENTED INFORMATION

The Corporation manages its business by geographic region. The Corporation's operating segments represent countries, or groups of countries, in which it operates. The Corporation has four reportable segments: Canada, Americas (US and Latin America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia Pacific, comprising Asia, Australia and New Zealand).

The Corporation's global leadership team ("GLT") assesses the performance of the reportable segments based on net revenues and adjusted EBITDA by segment. Adjusted EBITDA by segment excludes items such as business acquisition, integration and reorganization costs, ERP implementation costs and head office corporate costs, which are not considered when assessing the underlying financial performance of the reportable segments. Head office corporate costs are expenses and salaries related to

centralized functions, such as global finance, legal and human resources teams, which are not allocated to segments. This measure also excludes the effects of financing expenses, depreciation, amortization, impairment and income taxes.

Sales between segments are carried out on terms equivalent to arm's length transactions and are eliminated upon consolidation.

The net revenues reported to the GLT are derived from revenues net of subconsultant and direct costs, which are measured in a similar manner as in the interim consolidated statements of earnings, and exclude intersegmental net revenues.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

The tables below present the Corporation's operations based on reportable segments:

	For the three-month period ended March 30, 2024				
	Canada	Americas	EMEIA	APAC	Total
	\$	\$	\$	\$	\$
Revenues	607.1	1,439.4	1,047.7	490.9	3,585.1
Less: Subconsultants and direct costs	(130.2)	(404.3)	(190.8)	(66.5)	(791.8)
Net revenues	476.9	1,035.1	856.9	424.4	2,793.3
Adjusted EBITDA by segment	88.3	190.4	135.8	64.1	478.6
Head office corporate costs					(32.5)
Depreciation and amortization					(160.6)
Acquisition, integration and reorganization costs					(21.2)
ERP implementation costs					(15.6)
Net financing expenses, excluding interest income					(72.0)
Share of depreciation, financing expenses and taxes of associates and joint ventures					(3.5)
Earnings before income taxes					173.2
	For the three-month period ended April 1, 2023				
	Canada	Americas	EMEIA	APAC	Total
	\$	\$	\$	\$	\$
Revenues	569.1	1,503.0	950.7	466.7	3,489.5
Less: Subconsultants and direct costs	(128.7)	(477.5)	(151.7)	(64.5)	(822.4)
Net revenues	440.4	1,025.5	799.0	402.2	2,667.1
Adjusted EBITDA by segment	79.4	173.9	122.7	66.5	442.5
Head office corporate costs					(29.2)
Depreciation and amortization					(165.9)
Acquisition, integration and reorganization costs					(23.6)
ERP implementation costs					(18.3)
Net financing expenses, excluding interest income					(47.9)
Share of depreciation, financing expenses and taxes of associates and joint ventures					(3.3)
Earnings before income taxes					154.3

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

## 5 REVENUES

The tables below present the Corporation's disaggregated revenues by market sector and client category:

	For the three-month period ended March 30, 2024				
	Canada	Americas	EMEIA	APAC	Total
Market sector	\$	\$	\$	\$	\$
Transportation & Infrastructure	176.7	602.7	428.0	238.4	1,445.8
Earth & Environment	278.6	557.1	181.0	128.1	1,144.8
Property & Buildings	124.5	158.3	364.0	110.4	757.2
Power & Energy	27.3	121.3	74.7	14.0	237.3
	607.1	1,439.4	1,047.7	490.9	3,585.1
Client category					
Public sector	264.3	807.8	561.4	248.6	1,882.1
Private sector	342.8	631.6	486.3	242.3	1,703.0
	607.1	1,439.4	1,047.7	490.9	3,585.1

	For the three-month period ended April 1, 2023				
	Canada	Americas	EMEIA	APAC	Total
Market sector	\$	\$	\$	\$	\$
Transportation & Infrastructure	142.0	671.1	399.7	238.8	1,451.6
Earth & Environment	281.8	551.0	176.2	95.0	1,104.0
Property & Buildings <sup>(1)</sup>	116.1	157.8	313.6	121.2	708.7
Power & Energy	29.2	123.2	61.1	11.7	225.2
	569.1	1,503.1	950.6	466.7	3,489.5
Client category					
Public sector	210.7	846.4	470.8	263.4	1,791.3
Private sector	358.4	656.7	479.8	203.3	1,698.2
	569.1	1,503.1	950.6	466.7	3,489.5

<sup>(1)</sup> As at January 1, 2024, the Industry market sector was combined with the Property & Buildings market sector. The disaggregated revenues for the three-month period ended April 1, 2023 have been restated to align to the new presentation.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

## 6 ACQUISITION, INTEGRATION AND REORGANIZATION COSTS AND ERP IMPLEMENTATION COSTS

	Three-months ended	
	March 30, 2024	April 1, 2023
	\$	\$
Business acquisition costs	0.6	0.9
Integration costs of acquired businesses	20.6	22.7
	21.2	23.6

Included in acquisition, integration and reorganization costs for the three-month period ended March 30, 2024 are employee benefit costs of \$6.6 million (\$7.6 million in the comparable period in 2023). Other than employee benefit costs, costs relate mainly to legal and professional fees and early contract termination costs.

Included in ERP implementation costs for the three-month period ended March 30, 2024 are employee benefit costs of \$8.5 million (\$4.9 million in the comparable period in 2023). Other than employee benefit costs, costs relate mainly to professional fees.

## 7 NET FINANCING EXPENSE

	Three-months ended	
	March 30, 2024	April 1, 2023
	\$	\$
Interest expense related to credit facilities and senior unsecured notes	46.4	40.7
Interest expense on lease liabilities	10.0	9.7
Net financing expense on pension obligations	1.6	1.6
Exchange losses on assets and liabilities denominated in foreign currencies	(1.8)	3.8
Unrealized losses (gains) on derivative financial instruments	9.1	(7.4)
Other interest and bank charges	7.4	4.9
Gains on investments in securities	(0.7)	(5.4)
Interest income	(0.9)	(2.3)
	71.1	45.6

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

## 8 FINANCIAL INSTRUMENTS

### FINANCIAL RISK MANAGEMENT

The Corporation enters into foreign currency forward contracts and options to hedge the variability in the foreign currency exchange rate of certain currencies against the Canadian dollar. As at March 30, 2024, the net fair market value gain of these forward contracts and options amounted to \$0.9 million, and losses of \$8.7 million were recorded in net earnings in the three-month period ended March 30, 2024. The largest hedged currency outstanding as at March 30, 2024 represents a nominal amount of \$705.6 million US dollars.

The Corporation holds interest rate swap agreements for a nominal amount of \$325.0 million US dollars to hedge the variability in interest rates of its US-dollar denominated debt. The fair market value gain of these interest rate swap agreements as at March 30, 2024 amounted to \$1.6 million and the change in fair value was recorded in other comprehensive income.

The Corporation holds cross-currency interest rate swap agreements for a nominal amount of \$1.0 billion Canadian dollars to hedge the variability in the USD/CAD currency risk of the Corporation's net investment in foreign entities having the USD as their functional currency. The fair market value loss of these cross-currency interest rate swaps agreements as at March 30, 2024 amounted to \$28.6 million and the change in fair value was recorded in other comprehensive income.

The Corporation holds cross-currency interest rate swap agreements to hedge the variability in multiple currencies to the Canadian dollar, as well as the variability in interest rates of multiple foreign currency-denominated debts. The cross-currency component and interest rate component of each of these financial instruments are bifurcated and each component designated as either a net investment hedge or cash flow hedge, respectively. The fair market value net loss of these cross-currency interest rate swaps agreements as at March 30, 2024 amounted to \$4.9 million and the changes in fair value were recorded in other comprehensive income.

The Corporation holds interest rate collar agreements for a nominal amount of \$300.0 million US dollars to hedge the variability in interest rates of its US-dollar denominated debt. The fair market value gain of these interest rate collar agreements as at March 30, 2024 amounted to \$1.5 million and the change in fair value was recorded in other comprehensive income.

The Corporation holds cross-currency interest rate swap agreements for a nominal amount of \$275 million Australian dollars to hedge the variability in the Australian dollar to the US dollar, as well as variability in interest rates. These financial instruments are not designated in a hedging relationship. The fair market value loss of these cross-currency interest rate swaps agreements as at March 30, 2024 amounted to \$1.1 million and the change in fair value was recorded in net earnings.

The Corporation enters into derivative financial instruments with Canadian financial institutions to limit the Corporation's exposure to the variability of cash-settled long-term incentive plan ("LTIP") share unit compensation plans caused by fluctuations in its common share price. The value of the derivative financial instruments fluctuates in accordance with the movement of the Corporation's common share price and are classified as fair value through profit or loss. As such, they are measured at fair value on the consolidated statement of financial position and the mark-to-market gain or loss pertaining to derivative financial instruments is recorded in personnel costs and financing expense as an offset of the revaluation of the LTIP liability. As at March 30, 2024, the Corporation had hedges outstanding for 660,000 of its common shares, with total fair value loss of \$3.3 million (for 660,000 shares, with a gain of \$8.9 million as at December 31, 2023). In the first quarter ended March 30, 2024, mark-to-market variations on LTIP hedging instruments recorded in net earnings were a gain of \$27.1 million (gain of \$12.7 million during the first quarter of 2023).

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)**

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

## 9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### RIGHT-OF-USE ASSETS

	For the three-month period ended March 30, 2024			For the three-month period ended April 1, 2023		
	Real estate	Equipment	Total	Real estate	Equipment	Total
	\$	\$	\$	\$	\$	\$
<b>Balance - Beginning of period</b>	780.2	44.0	824.2	935.7	43.2	978.9
Additions through business acquisitions and measurement period adjustments	—	—	—	8.5	—	8.5
Additions	30.9	16.2	47.1	13.6	10.0	23.6
Lease renewals, reassessments and modifications	33.4	—	33.4	11.9	0.1	12.0
Depreciation expense	(67.8)	(5.8)	(73.6)	(70.5)	(5.6)	(76.1)
Utilization of lease inducement allowances	3.6	—	3.6	2.4	—	2.4
Exchange differences	0.8	0.2	1.0	0.5	0.1	0.6
<b>Balance - End of period</b>	<b>781.1</b>	<b>54.6</b>	<b>835.7</b>	<b>902.1</b>	<b>47.8</b>	<b>949.9</b>

### LEASE LIABILITIES

	For the three-month period ended March 30, 2024			For the three-month period ended April 1, 2023		
	Real estate	Equipment	Total	Real estate	Equipment	Total
	\$	\$	\$	\$	\$	\$
<b>Balance - Beginning of period</b>	962.5	39.6	1,002.1	1,089.9	39.9	1,129.8
Additions through business acquisitions and measurement period adjustments	—	—	—	8.5	—	8.5
Additions	30.9	16.2	47.1	13.6	10.0	23.6
Lease renewals, reassessments and modifications	32.1	0.3	32.4	10.4	0.1	10.5
Interest expense on lease liabilities (note 7)	9.4	0.6	10.0	9.2	0.5	9.7
Payments	(83.5)	(7.3)	(90.8)	(88.5)	(6.2)	(94.7)
Exchange differences	1.9	0.3	2.2	0.4	—	0.4
<b>Balance - End of period</b>	<b>953.3</b>	<b>49.7</b>	<b>1,003.0</b>	<b>1,043.5</b>	<b>44.3</b>	<b>1,087.8</b>
Current portion of lease liabilities	239.9	22.7	262.6	245.5	19.2	264.7
Non-current portion of lease liabilities	713.4	27.0	740.4	798.0	25.1	823.1

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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## 10 GOODWILL

	March 30, 2024	December 31, 2023
	\$	\$
<b>Balance – As at January 1</b>	7,155.8	6,792.2
Goodwill resulting from business acquisitions	36.7	296.4
Measurement period adjustments	(2.2)	163.6
Disposal of a business	—	(28.4)
Exchange differences	57.8	(68.0)
<b>Balance – As at end of period</b>	<b>7,248.1</b>	<b>7,155.8</b>

In March 2024, WSP acquired Proxion Plan Oy and Proxion Pro Oy, both Finnish companies and subsidiaries of Proxion Oy. With their combined workforce of 150 employees, these businesses offer a range of rail consultancy services, as railway and railway system design services, including traffic and energy services, as well as safety and security expertise.

Also in March 2024, WSP acquired Communica Public Affairs Inc., a 50-employee Canadian firm specializing in Indigenous and stakeholder engagement and information management consulting.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

# 11 LONG-TERM DEBT

As at	March 30, 2024	December 31, 2023
	\$	\$
Borrowings under credit facilities	2,375.5	2,124.7
Senior unsecured notes	996.4	996.2
Bank overdraft	45.4	16.1
Other financial liabilities	139.8	125.5
	3,557.1	3,262.5
Current portion	259.7	204.2
Non-current portion	3,297.4	3,058.3

The table below presents the contractual maturities of long-term debt as at March 30, 2024. The amounts disclosed are contractual principal repayments and exclude interest payments.

	Carrying amount	Within 12 months	12 to 24 months	24 to 36 months	More than 36 months
	\$	\$	\$	\$	\$
US\$1.5-billion credit facility	581.2	—	—	338.6	242.6
US\$1,325-million term loans	1,794.3	135.4	575.5	541.7	541.7
Senior unsecured notes	996.4	—	—	—	996.4
Bank overdraft	45.4	45.4	—	—	—
Other financial liabilities	139.8	78.9	21.5	21.7	17.7
	3,557.1	259.7	597.0	902.0	1,798.4

## CREDIT FACILITIES

WSP has in place a US\$1.5-billion credit facility with a syndicate of financial institutions comprised of:

- a senior unsecured revolving credit facility to a maximum amount of US\$500.0 million maturing in April 2026; and
- a senior unsecured revolving credit facility to a maximum amount of US\$1.0 billion maturing in April 2028.

The amount available under the US\$1.5-billion credit facility was \$1,305.4 million (US\$964.0 million) as at March 30, 2024.

WSP has in place a US\$325-million credit facility. As at March 30, 2024 this committed credit facility has been fully drawn in the form of a term loan maturing in April 2025.

WSP has in place a fully-committed US\$1.0-billion credit facility in the form of term loans with various tenors of up to 4 years. As at March 30, 2024, the US\$1.0-billion credit facility was fully drawn.



## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

### SENIOR UNSECURED NOTES

WSP has senior unsecured notes outstanding, issued at par (the “Notes”), with a book value of \$996.4 million. The table below describe the key terms of the Notes.

Issuance date	Face value	Fixed interest rate per annum	Maturity date	Semi annual interest payment dates
April 19, 2021	\$ 500.0	2.408 %	April 19, 2028	19th day of April and October in each year
November 22, 2023	\$ 500.0	5.548 %	November 22, 2030	22nd day of May and November in each year

The Notes are senior unsecured obligations of WSP, ranked pari passu with all other unsecured and unsubordinated indebtedness of WSP, issued pursuant to a Trust Indenture, as supplemented by a first supplemental indenture, each dated April 19, 2021 and November 22, 2023, respectively.

As at March 30, 2024, the fair value of the senior unsecured notes, which is based on unadjusted quote prices (Level 1), was \$976.6 million (\$987.9 million as at December 31, 2023).

### INTEREST-RATE HEDGING

The Corporation uses a combination of interest swaps and fixed rate debt to hedge its exposure to interest rate fluctuations. As at March 30, 2024, 63% of the Corporation's long-term debt is protected against interest rate fluctuations either through the usage of interest rate swaps, options and/or fixed rate debt.

## 12 SHARE CAPITAL

### AUTHORIZED

An unlimited number of common shares without par value, voting and participating.

An unlimited number of preferred shares without par value, participating, issuable in series.

### ISSUED AND PAID

	Common shares	
	Number	\$
<b>Balance as at January 1, 2023</b>	124,453,717	4,784.4
Shares issued under the Dividend Reinvestment Plan (DRIP)	147,859	24.6
Shares issued upon exercise of stock options	62,374	6.3
<b>Balance as at December 31, 2023</b>	124,663,950	4,815.3
Shares issued upon exercise of stock options	23,804	2.8
<b>Balance as at March 30, 2024</b>	124,687,754	4,818.1

### Preferred Shares

As at March 30, 2024, no preferred shares were issued.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(Tabular figures in millions of Canadian dollars, except the number of shares and per share data and when otherwise stated)

# 13 CAPITAL MANAGEMENT

The Corporation's primary objectives when managing capital structure are as follows:

- maintain financial flexibility in order to meet financial obligations, to provide dividends, to execute growth plan and to continue growth through business acquisitions;
- manage the Corporation's activities in a responsible way in order to provide an adequate return for its shareholders; and
- comply with financial covenants required under the credit facilities.

One way the Corporation monitors its capital structure is by using the consolidated net debt to consolidated adjusted EBITDA ratio. This ratio is used to determine what the maximum debt level could be.

Adjusted EBITDA is defined as earnings before net financing expense (except interest income), income tax expense, depreciation, amortization, impairment charges on long-lived assets and reversals thereof, share of income tax expense and depreciation of associates and joint ventures, acquisition, integration and reorganization costs and ERP implementation costs. Net debt is defined as long-term

debt, including current portions but excluding lease liabilities, and net of cash. These measures have no standardized definitions under IFRS, and, accordingly, these measures may not be comparable to similar measures used by other issuers.

As at	March 30, 2024	December 31, 2023
Long-term debt <sup>(1)</sup>	3,557.1	3,262.5
Less: Cash and cash equivalents (note 15)	(341.6)	(378.0)
Net debt	3,215.5	2,884.5
For the trailing twelve month periods ended	March 30, 2024	December 31, 2023
Adjusted EBITDA	1,954.1	1,921.3
Net debt to adjusted EBITDA ratio	1.6	1.5

<sup>(1)</sup> Including current portion.

# 14 DIVIDENDS

On February 28, 2024, the Corporation declared a dividend of \$0.375 per share, paid subsequent to the end of the quarter on April 15, 2024, to shareholders of record on March 31, 2024. The total amount of the dividend payable for the first quarter was \$46.8 million.

Subsequent to the end of the quarter, on May 8, 2024, the Board of Directors of the Corporation (the "Board") declared a quarterly dividend of \$0.375 per common share of the Corporation, payable on or about July 15, 2024, to shareholders of record as at the close of business on June 30, 2024. The final aggregate amount of the dividend payment will depend on the number of issued and outstanding common shares at the close of business on June 30, 2024, and has not been recognized as a liability as at March 30, 2024.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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## 15 STATEMENTS OF CASH FLOWS

### CASH AND CASH EQUIVALENTS, NET OF BANK OVERDRAFT

As at	March 30, 2024	December 31, 2023
	\$	\$
Cash on hand and with banks	341.6	378.0
Less: Bank overdraft (note 11)	(45.4)	(16.1)
<b>Cash and cash equivalents, net of bank overdraft</b>	<b>296.2</b>	<b>361.9</b>

### ADJUSTMENTS

For the three-month periods ended	March 30, 2024	April 1, 2023
	\$	\$
Depreciation and amortization of long-lived assets	160.6	165.9
Non-cash movements in investment tax credits	(4.2)	(11.4)
Share of income of associates and joint ventures, net of tax	(6.6)	(6.4)
Defined benefit pension scheme expense	3.1	3.0
Cash contribution to defined benefit pension schemes	(2.4)	(2.3)
Foreign exchange and non-cash movements	1.5	(5.1)
Gains on disposal of property and equipment	(2.8)	(0.3)
Other	0.2	(2.0)
	149.4	141.4

### CHANGE IN NON-CASH WORKING CAPITAL ITEMS

For the three-month periods ended	March 30, 2024	April 1, 2023
	\$	\$
Decrease (increase) in:		
Trade, prepaid and other receivables	151.7	242.2
Costs and anticipated profits in excess of billings	(346.1)	(184.6)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(324.1)	(343.2)
Billings in excess of costs and anticipated profits	165.1	(5.4)
	(353.4)	(291.0)