UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended October 2, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-41867

Shimmick Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware	**84-3749368**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
530 Technology Drive	
Suite 300	
Irvine, CA	**92618**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (833) 723-2021

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	SHIM	NASDAQ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 11, 2026, the registrant had 42,761,763 shares of Common Stock, par value $0.01 per share, outstanding.

FORWARD-LOOKING STATEMENTS

We make forward-looking statements in this Quarterly Report on Form 10-Q (“Form 10-Q”) within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) that are subject to risks and uncertainties. For these statements, we claim the protections of the safe harbor for forward-looking statements contained in such Sections. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” "project," "will," “should,” “may” or similar expressions, we intend to identify forward-looking statements. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements.

Forward-looking statements are subject to significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, important factors included in the sections entitled “Forward Looking Statements” and “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026 ("Form 10-K") and those described from time to time in our future reports with the Securities and Exchange Commission (the "SEC") (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could have a significant impact on our operations and financial results, and could cause our actual results to differ materially from those contained or implied in forward-looking statements made by us or on our behalf in this Form 10-Q, in presentations, on our websites, in response to questions or otherwise. We believe these factors include, but are not limited to, the following:

- our ability to accurately estimate risks, requirements or costs when we bid on or negotiate a contract,
- the impact of our fixed-price contracts,
- qualifying as an eligible bidder for contracts,
- the availability of qualified personnel, joint venture partners and subcontractors,
- inability to attract and retain qualified managers and skilled employees and the impact of loss of key management,
- higher costs to lease, acquire and maintain equipment necessary for our operations or a decline in the market value of owned equipment,
- subcontractors failing to satisfy their obligations to us or other parties or any inability to maintain subcontractor relationships,
- marketplace competition,
- our inability to obtain bonding
- our limited operating history as an independent company following our separation from AECOM, our prior owner,
- our relationship and transactions with our prior owner,
- our prior owner defaulting on its contractual obligations to us or under agreements in which we are beneficiary,
- our limited number of customers,
- any inability to successfully expand our business into new markets or geographies,
- dependence on subcontractors and suppliers of materials,
- any inability to secure sufficient aggregates,
- an inability to complete a merger or acquisition or to integrate an acquired company’s business,
- our ability to expand our capacity related to specialized, high-performance electrical and power distribution solutions,
- adjustments in our contract backlog,
- accounting for our revenue and costs involves significant estimates, as does our use of the input method of revenue recognition based on costs incurred relative to total expected costs,
- material impairments,

- any failure to comply with covenants under any current indebtedness, and future indebtedness we may incur,
- the adequacy of sources of liquidity,
- the outcome of any legal or regulatory proceedings to which we are, or may become, a party, including our appeal of the USACE's notice of termination related to the Chickamauga Lock project,
- the effectiveness of our disclosure controls and procedures,
- cybersecurity attacks against, disruptions, failures or security breaches of, our information technology systems,
- seasonality of our business,
- commodity products price fluctuations, inflation (and actions taken by monetary authorities in response to inflation) and/or rising interest rates,
- climate change,
- deterioration of the U.S. economy,
- changes in state and federal laws, regulations or policies under the current presidential administration, including changes in trade policies and regulations, including increases or changes in duties, current and potentially new tariffs or quotas and other similar measures, as well as the impact of retaliatory tariffs and other actions, changes to tax legislation, potential changes to the amounts provided for under the Infrastructure Investment and Jobs Act, changes to immigration laws, as well as other legislation and executive orders or decreases or delays in or uncertainties related to governmental spending, and
- geopolitical risks, including those related to the war between Russia and Ukraine and the conflict and potential regime change in Iran and the associated disruption to the Strait of Hormuz, as well as other hostilities in the Middle East, and related disruptions to global energy markets.

Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances, including, but not limited to, unanticipated events, after the date on which such statement is made, unless otherwise required by law. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Shimmick Corporation
Condensed Consolidated Balance Sheets
(In thousands, except share data)
(unaudited)

	October 2, 2026	January 2, 2026
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 34,237	$ 19,969
Restricted cash	329	1,890
Accounts receivable, net	19,216	30,179
Contract assets, current	155,426	110,276
Prepaids and other current assets	14,635	13,067
TOTAL CURRENT ASSETS	223,843	175,381
Property, plant and equipment, net	5,298	10,571
Intangible assets, net	2,158	4,091
Lease right-of-use assets	14,955	16,466
Investment in unconsolidated joint ventures	13,553	11,866
Other assets	413	388
TOTAL ASSETS	$ 260,220	$ 218,763
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$ 90,330	$ 69,542
Contract liabilities, current	58,998	53,760
Accrued expenses	30,499	34,172
Current portion of long-term debt, net	1,916	4,143
Other current liabilities	31,522	34,499
TOTAL CURRENT LIABILITIES	213,265	196,116
Long-term debt, less current portion, net	72,622	60,316
Lease liabilities, non-current	10,389	11,913
Contract liabilities, non-current	410	453
Contingent consideration	5,470	5,203
Other liabilities	2,368	1,402
TOTAL LIABILITIES	304,524	275,403
Commitments and Contingencies (Note 11)		
STOCKHOLDERS' DEFICIT		
Common stock, $0.01 par value, 100,000,000 shares authorized as of October 2, 2026 and January 2, 2026; 42,761,763 and 36,035,559 shares issued and outstanding as of October 2, 2026 and January 2, 2026, respectively	428	360
Additional paid-in-capital	67,580	46,795
Retained deficit	(112,312)	(103,795)
Non-controlling interests	—	—
TOTAL STOCKHOLDERS' DEFICIT	(44,304)	(56,640)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 260,220	$ 218,763

See accompanying notes to the unaudited condensed consolidated financial statements.

Shimmick Corporation
Condensed Consolidated Statements of Operations
(In thousands, except per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	October 2, 2026	**October 3, 2025**	**October 2, 2026**	**October 3, 2025**
Revenue	$ 135,798	$ 141,920	$ 330,447	$ 392,432
Cost of revenue	118,864	131,131	290,161	368,818
Gross margin	16,934	10,789	40,286	23,614
Selling, general and administrative expenses	14,300	14,292	44,745	43,701
Total operating expenses	14,300	14,292	44,745	43,701
Equity in earnings of unconsolidated joint ventures	909	312	3,054	851
Gain on sale of assets, net	62	10	40	80
Income (loss) from operations	3,605	(3,181)	(1,365)	(19,156)
Interest expense	2,680	1,434	6,892	3,747
Other expense (income), net	77	(219)	134	(371)
Net income (loss) before income tax	848	(4,396)	(8,391)	(22,532)
Income tax expense	—	—	—	—
Net income (loss)	848	(4,396)	(8,391)	(22,532)
Net income attributable to non-controlling interests	—	—	126	159
Net income (loss) attributable to Shimmick Corporation	$ 848	$ (4,396)	$ (8,517)	$ (22,691)
Net income (loss) attributable to Shimmick Corporation per common share				
Basic	$ 0.02	$ (0.12)	$ (0.22)	$ (0.65)
Diluted	$ 0.02	$ (0.12)	$ (0.22)	$ (0.65)

See accompanying notes to the unaudited condensed consolidated financial statements.

Shimmick Corporation
Condensed Consolidated Statements of Stockholders' Deficit
(In thousands, except share data)
(unaudited)

	Common Stock		Additional Paid-in-Capital	Retained Deficit	Non-Controlling Interests	Total Stockholders' Deficit
	Shares	Amount				
Balance as of July 3, 2026	41,335,823	$ 414	$ 62,424	$ (113,160)	$ —	$ (50,322)
Net income	—	—	—	848	—	848
Underwritten equity and At The Market offerings, net of costs	1,100,000	11	4,107	—	—	4,118
Issuance of common stock	325,940	3	(9)	—	—	(6)
Stock-based compensation	—	—	1,058	—	—	1,058
Balance as of October 2, 2026	42,761,763	$ 428	$ 67,580	$ (112,312)	$ —	$ (44,304)

	Common Stock		Additional Paid-in-Capital	Retained Deficit	Non-Controlling Interests	Total Stockholders' Deficit
	Shares	Amount				
Balance as of July 4, 2025	35,248,424	$ 353	$ 46,691	$ (96,506)	$ —	$ (49,462)
Net loss	—	—	—	(4,396)	—	(4,396)
Issuance of common stock	549,965	5	(5)	—	—	—
Stock-based compensation	—	—	1,202	—	—	1,202
Balance as of October 3, 2025	35,798,389	$ 358	$ 47,888	$ (100,902)	$ —	$ (52,656)

	Common Stock		Additional Paid-in-Capital	Retained Deficit	Non-Controlling Interests	Total Stockholders' Deficit
	Shares	Amount				
Balance as of January 2, 2026	36,035,559	$ 360	$ 46,795	$ (103,795)	$ —	$ (56,640)
Net (loss) income	—	—	—	(8,517)	126	(8,391)
Underwritten equity and At The Market offerings, net of costs	5,389,500	54	17,830	—	—	17,884
Issuance of common stock	1,336,704	14	(6)	—	—	8
Stock-based compensation	—	—	2,961	—	—	2,961
Distributions to non-controlling interests	—	—	—	—	(126)	(126)
Balance as of October 2, 2026	42,761,763	$ 428	$ 67,580	$ (112,312)	$ —	$ (44,304)

	Common Stock		Additional Paid-in-Capital	Retained Deficit	Non-Controlling Interests	Total Stockholders' Deficit
	Shares	Amount				
Balance as of January 3, 2025	34,271,214	$ 343	$ 43,353	$ (78,211)	$ (159)	$ (34,674)
Net (loss) income	—	—	—	(22,691)	159	(22,532)
Issuance of common stock	1,527,175	15	15	—	—	30
Stock-based compensation	—	—	4,520	—	—	4,520
Balance as of October 3, 2025	35,798,389	$ 358	$ 47,888	$ (100,902)	$ —	$ (52,656)

See accompanying notes to the unaudited condensed consolidated financial statements.

Shimmick Corporation
Condensed Consolidated Statements of Cash Flows
(In thousands)
(unaudited)

	Nine Months Ended	
	October 2, 2026	October 3, 2025
Cash Flows From Operating Activities		
Net loss	$ (8,391)	$ (22,532)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	2,961	4,520
Depreciation and amortization	8,426	9,840
Equity in earnings of unconsolidated joint ventures	(3,054)	(851)
Return on investment in unconsolidated joint ventures	1,323	3,802
Gain on sale of assets, net	(5,477)	(80)
Other	4,316	1,542
Changes in operating assets and liabilities:		
Accounts receivable, net	11,964	1,203
Contract assets	(45,150)	(24,430)
Accounts payable	20,638	25,856
Contract liabilities	5,237	(55,166)
Accrued expenses	(3,673)	(3,022)
Other assets and liabilities	(3,851)	(6,414)
Net cash used in operating activities	(14,731)	(65,732)
Cash Flows From Investing Activities		
Purchases of property, plant and equipment	(1,505)	(5,862)
Proceeds from sale of assets	5,134	4,868
Return of investment in unconsolidated joint ventures	—	2,935
Net cash provided by investing activities	3,629	1,941
Cash Flows From Financing Activities		
Borrowings on credit and loan agreements	56,033	90,581
Repayments on credit and loan agreements	(50,003)	(42,079)
Net proceeds from underwritten equity and At The Market offerings	18,259	—
Distributions to non-controlling interests	(126)	—
Other, net	(354)	(1,581)
Net cash provided by financing activities	23,809	46,921
Net increase (decrease) in cash, cash equivalents and restricted cash	12,707	(16,870)
Cash, cash equivalents and restricted cash, beginning of period	21,859	35,795
Cash, cash equivalents and restricted cash, end of period	$ 34,566	$ 18,925
Reconciliation of cash, cash equivalents and restricted cash to the Condensed Consolidated Balance Sheets		
Cash and cash equivalents	$ 34,237	$ 17,597
Restricted cash	329	1,328
Total cash, cash equivalents and restricted cash	$ 34,566	$ 18,925

See accompanying notes to the unaudited condensed consolidated financial statements.

Note 1. Business and Organization

Shimmick Corporation ("Shimmick", the “Company”) was founded in 1990 in California and operated as a regional infrastructure construction contractor throughout California for nearly 30 years. In 2017, AECOM acquired Shimmick and consolidated it with its existing construction services, which included former legacy construction operations from Morrison Knudsen, Washington Group International, and others. In January 2021, we consummated the AECOM Sale Transaction and began operating as an independent company under new private ownership (the "AECOM Sale Transaction"). In November 2023, we completed our initial public offering (the “IPO”) and currently our stock is listed for trading on the Nasdaq Capital Market under the symbol "SHIM".

The accompanying condensed consolidated financial statements include the accounts of Shimmick Corporation and its subsidiaries (“Shimmick”, “we”, “our”, “us”, “its” or the “Company”), unless otherwise indicated.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (“GAAP” or "U.S. GAAP"), and in conformity with the rules and regulations of the Securities and Exchange Commission. The information furnished reflects all adjustments, consisting of normal recurring adjustments, that are, in the opinion of management, necessary for a fair presentation of the results of operations, cash flows and financial position for the interim periods presented. A statement of comprehensive income is not presented as the Company’s results of operations do not contain any items classified as comprehensive income. All intercompany accounts and transactions have been eliminated. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted in accordance with such rules and regulations, although management believes the disclosures are adequate to prevent the information presented from being misleading. The accompanying condensed consolidated financial statements are unaudited and should be read in conjunction with the audited consolidated financial statements and notes in our Annual Report on Form 10-K for the fiscal year ended January 2, 2026 ("Form 10-K"). Because of the seasonal nature of some of the Company's operations, the results of operations for the three and nine months ended October 2, 2026 are not necessarily indicative of the results of operations to be expected for the full fiscal year.

Change in Presentation

Certain prior period balances in the condensed consolidated balance sheets, statements of operations and statements of cash flows and accompanying notes have been combined, reclassified or rounded to conform to current period presentation. These changes had no impact on net income (loss), cash flows, assets and liabilities or deficit previously reported.

Summary of Significant Accounting Policies

Our significant accounting policies are described in more detail in Note 2 - Basis of Presentation and Summary of Significant Accounting Policies of our Form 10-K.

Use of Estimates

The preparation of our condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts included in the condensed consolidated financial statements and accompanying notes thereto. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

Accounting pronouncements not listed below were assessed and determined to be not applicable or are expected to have minimal impact on the condensed consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, and in January 2025, the FASB issued ASU 2025-01, Clarifying the Effective Date. These updates require public companies to disclose additional information about certain expenses in the notes to financial statements, enhancing transparency and providing more detailed insights for investors and other stakeholders. This

guidance is effective for annual periods beginning after December 15, 2026, and quarterly periods within those annual periods beginning after December 15, 2027, with early adoption permitted, and will be applied on a prospective basis. The Company is currently evaluating the effects that adoption of this guidance will have on the condensed consolidated financial statements and related disclosures.

In July 2025, the FASB issued ASU 2025-05, Measurement of Credit Losses for Accounts Receivable and Contract Assets, to address complexities in applying current expected credit losses for current accounts receivable and contract assets. The amendments allow entities to make an accounting policy election to apply a practical expedient when estimating expected credit losses for certain assets, which allows entities to assume that economic conditions at the balance sheet date will remain unchanged for the remaining life of those assets. The amendments are effective in annual periods beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating the effects that adoption of this guidance will have on the condensed consolidated financial statements and related disclosures.

Note 3. Revenue, Receivables and Contract Assets and Liabilities

The following table presents the Company's revenue disaggregated by contract types:

	Three Months Ended		Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**	**October 2, 2026**	**October 3, 2025**
Fixed-price	$ 127,874	$ 134,338	$ 305,882	$ 339,612
Cost reimbursable	7,616	7,356	23,495	51,930
Equipment and labor revenue	308	226	1,070	890
Total revenue	$ 135,798	$ 141,920	$ 330,447	$ 392,432

Projects started after prior ownership ("Shimmick Projects") have focused on critical infrastructure aligned with our strategy, including water, climate resilience, energy transition and sustainable transportation. Projects that started under prior ownership or focus on foundation drilling are referred to as "Non-Core Projects" (formerly referred to as "Legacy and Foundations Projects").

The following table presents the Company's revenue disaggregated by Shimmick Projects and Non-Core Projects:

	Three Months Ended		Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**	**October 2, 2026**	**October 3, 2025**
Shimmick Projects	$ 136,221	$ 106,826	$ 319,786	$ 312,599
Non-Core Projects	(423)	35,094	10,661	79,833
Total revenue	$ 135,798	$ 141,920	$ 330,447	$ 392,432

Remaining performance obligations

The Company had $815 million of remaining performance obligations yet to be satisfied as of October 2, 2026. Our remaining performance obligations have a weighted average life of 2.5 years as of October 2, 2026.

Contract Balances

The following table provides information about contract assets (also referred to as costs and estimated earnings in excess of billings on uncompleted contracts and retainage receivable) and contract liabilities (also referred to as billings on uncompleted contracts in excess of costs and estimated earnings and forward loss reserve), which include assets and liabilities that are dependent upon future activity:

(In thousands)	**October 2, 2026**	**January 2, 2026**	**Change**
Contract assets, current and non-current:			
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 108,461	$ 64,131	$ 44,330
Retainage receivable	46,965	46,145	820
Total contract assets	155,426	110,276	45,150
Contract liabilities, current and non-current:			
Billings on uncompleted contracts in excess of costs and estimated earnings	(51,122)	(18,276)	(32,846)
Forward loss reserve	(8,286)	(35,937)	27,651
Total contract liabilities	(59,408)	(54,213)	(5,195)
Net	$ 96,018	$ 56,063	$ 39,955

Contract terms with customers include the timing of billing and payment, which usually differs from the timing of revenue recognition. As a result, the Company carries contract assets and liabilities within the condensed consolidated balance sheets. These contract assets and liabilities are calculated on a contract-by-contract basis and reported on a net basis at the end of each period and are classified as current or non-current. Many of the contracts under which the Company performs work also contain retainage provisions. Retainage refers to that portion of our billings held for payment by the customer pending satisfactory completion of the project. Unless reserved, the Company assumes that all amounts retained by customers under such provisions are fully collectible. The majority of retainage receivable is expected to be collected within one year. These assets and liabilities are reported in the condensed consolidated balance sheets within “Contract assets, current,” “Contract liabilities, current" and “Contract liabilities, non-current." Costs and estimated earnings in excess of billings on uncompleted contracts consists of revenue recognized in excess of billings.

Billings on uncompleted contracts in excess of costs and estimated earnings consists of billings in excess of revenue recognized. The Company recognized revenue of $18 million during the nine months ended October 2, 2026 that was included in contract liabilities as of January 2, 2026.

The Company’s timing of revenue recognition may not be consistent with its rights to bill and collect cash from its clients. Those rights are generally dependent upon advance billing terms, milestone billings based on the completion of certain phases of work or when services are performed. The Company’s accounts receivable represents amounts billed to clients that have yet to be collected and represent an unconditional right to cash from its clients as presented below:

(In thousands)	**October 2, 2026**	**January 2, 2026**
Total accounts receivable, gross	$ 19,987	$ 30,954
Allowance for credit losses	(771)	(775)
Accounts receivable, net	$ 19,216	$ 30,179

Substantially all contract assets as of October 2, 2026 and January 2, 2026 are expected to be collected within the Company’s estimated operating cycle. The Company’s operating cycle may extend beyond one year.

The Company is in the process of negotiating or awaiting approval of unapproved change orders and claims with its customers. The Company is proceeding with its contractual rights to recoup additional costs incurred from its customers based on completing work associated with change orders, including change orders with pending change order pricing, or claims related to significant changes in scope which resulted in substantial delays and additional costs in completing the work as well as termination cost on one Non-Core Project.

Information about significant customers

Significant Customers as a Percentage of Accounts Receivable, Net	
As of October 2, 2026	
Customer one	12.8%
As of January 2, 2026	
Customer one	39.9%

Significant Customers as a Percentage of Revenue	
Three Months Ended October 2, 2026	
Customer one	11.5%
Customer two	10.1%
Three Months Ended October 3, 2025	
Customer one	21.4%
Customer two	18.6%
Customer three	11.1%

Significant Customers as a Percentage of Revenue	
Nine Months Ended October 2, 2026	
Customer one	15.9%
Customer two	12.2%
Nine Months Ended October 3, 2025	
Customer one	16.1%
Customer two	14.6%
Customer three	12.9%
Customer four	11.8%

Revisions in Estimates

Changes in contract estimates resulted in net increases in gross margin of $6 million and $13 million for the three and nine months ended October 2, 2026, respectively, primarily due to a reduction in escalation costs on a Shimmick water project and estimated recovery on a pending change order, partially offset by increased forecasted cost to complete on a Shimmick bridge project.

Changes in contract estimates resulted in net increases in gross margin of $2 million for the three months ended October 3, 2025, primarily due to lower cost estimates on favorable scope close out on a Shimmick water project as well as a Non-Core bridge project. Changes in contract estimates resulted in net decreases in gross margin of $7 million for the nine months ended October 3, 2025, primarily due to cost increases related to delays and lower productivity on a federal lock and dam Non-Core Project.

Note 4. Joint Ventures and Variable Interest Entities

A summary of financial information of the consolidated joint ventures is as follows:

(In thousands)	**October 2, 2026**	**January 2, 2026**
Current assets	$ 916	$ 2,586
Total assets	$ 916	$ 2,586
Current liabilities	$ 25,542	$ 32,427
Non-current liabilities	1,484	—
Total liabilities	$ 27,026	$ 32,427

	Three Months Ended		Nine Months Ended	
	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
(In thousands)				
Revenue	$ 518	$ 4,860	$ 5,322	$ 17,089

The assets of the Company's consolidated joint ventures are restricted for use only by the particular joint venture and are not available for the general operations of the Company.

A summary of financial information of the unconsolidated joint ventures, as derived from their financial statements, is as follows:

	October 2, 2026	January 2, 2026
(In thousands)		
Current assets	$ 62,341	$ 46,309
Non-current assets	1,788	2,166
Total assets	$ 64,129	$ 48,475
Current liabilities	$ 35,876	$ 23,288
Total liabilities	$ 35,876	$ 23,288

	Three Months Ended		Nine Months Ended	
	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
(In thousands)				
Revenue	$ 20,667	$ 16,400	$ 58,121	$ 47,869
Cost of revenue	19,216	16,719	53,055	48,318
Gross margin	$ 1,451	$ (319)	$ 5,066	$ (449)
Net income (loss)	$ 1,451	$ (319)	$ 5,066	$ (449)

The Company recognized equity in earnings of unconsolidated joint ventures of $1 million and $3 million for the three and nine months ended October 2, 2026, respectively, and equity in earnings of unconsolidated joint ventures of $0.3 million and $1 million for the three and nine months ended October 3, 2025, respectively.

Contractually required support provided to the Company's joint ventures is discussed in Note 11 - Commitments and Contingencies.

Related Party Transactions

We often provide construction management and other subcontractor services to the Company's joint ventures and revenue includes amounts related to these services which are eliminated to the extent of our ownership. Revenue included related to services provided to unconsolidated joint venture related parties is as follows:

	Three Months Ended		Nine Months Ended	
	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
(In thousands)				
Revenue	$ 205	$ 150	$ 650	$ 590

Amounts included in the condensed consolidated balance sheets related to services provided to unconsolidated joint ventures as of October 2, 2026 and January 2, 2026 are as follows:

(In thousands)	October 2, 2026	January 2, 2026
Accounts receivable, net	$ 2,126	$ 1,869

Note 5. Property, Plant and Equipment and Intangible Assets

The following tables summarize the components of property, plant and equipment as of October 2, 2026 and January 2, 2026 and depreciation expense for the three and nine months ended October 2, 2026 and October 3, 2025:

(In thousands)	October 2, 2026	January 2, 2026
Building and land	$ 171	$ 171
Machinery, equipment, and vehicles	46,449	52,458
Office equipment, software and construction in progress	6,913	7,061
Property, plant and equipment, gross	53,533	59,690
Accumulated depreciation	(48,235)	(49,119)
Property, plant and equipment, net	$ 5,298	$ 10,571

	Three Months Ended		Nine Months Ended	
(In thousands)	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
Depreciation expense	$ 1,895	$ 2,400	$ 6,121	$ 7,707

Depreciation is recorded within cost of revenue and selling, general and administrative expenses and is calculated using the straight-line method over the estimated useful lives of the assets, or in the case of leasehold improvements and capitalized leases, the lesser of the remaining term of the lease or its estimated useful life.

The following tables present the Company's finite-lived intangible assets, including the weighted average useful lives for each major intangible asset category and in total:

	October 2, 2026			
(In thousands)	Weighted Average Remaining Useful Life in Years	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net
Trademark	1.3	$ 10,600	$ (8,707)	$ 1,893
Customer contracts	0.3	6,373	(6,108)	265
Total		$ 16,973	$ (14,815)	$ 2,158

	January 2, 2026			
(In thousands)	Weighted Average Remaining Useful Life in Years	Intangible Assets, Gross	Accumulated Amortization	Intangible Assets, Net
Trademark	2.0	$ 10,600	$ (7,571)	$ 3,029
Customer contracts	1.0	6,373	(5,311)	1,062
Total		$ 16,973	$ (12,882)	$ 4,091

The Company's estimated aggregate remaining amortization is as follows:

(In thousands)	Amortization Expense
2026	$ 644
2027	1,514
Total	$ 2,158

Note 6. Debt

Total debt outstanding in the condensed consolidated balance sheets is comprised of the following:

(In thousands)	October 2, 2026	January 2, 2026
Credit Agreement	$ 62,451	$ 46,424
ACF Credit Agreement	—	8,194
Sixty-First Commercial Finance Loan Agreement	14,285	—
Ansley Loan Agreement	—	12,971
Unamortized debt issuance costs	(2,198)	(3,130)
Total debt, net	74,538	64,459
Less: Current portion of long-term debt, net	1,916	4,143
Long-term debt, less current portion, net	$ 72,622	$ 60,316

Credit Agreement

On May 20, 2024, the Company, as guarantor, and its wholly-owned subsidiaries as borrowers ("Borrowers"), Alter Domus (US) LLC, as agent, and AECOM and Berkshire Hathaway Specialty Insurance Company ("BHSI") as lenders, entered into a revolving credit facility (the "Credit Agreement"), which was most recently amended on November 4, 2026 to, among other things, waive the specified noncompliance of the Material Project Documents covenant regarding entering into non-bonded contracts. The Credit Agreement was previously amended on October 2, 2026 to replace references to the Ansley Loan Agreement (as defined below) with references to the Sixty-First Commercial Loan Agreement (as defined below) in connection with the entry into the Sixty-First Commercial Loan Agreement and repayment and termination of the Ansley Loan Agreement. As amended, the Credit Agreement provides borrowing capacity up to $60 million. The obligations under the Credit Agreement bear interest at a per annum rate equal to One Month Term SOFR (as defined in the Credit Agreement), subject to a 1.00% floor, plus 3.50%. Interest on any outstanding amounts drawn under the Credit Agreement will be payable, in kind or in cash at our election, on the last day of each month and upon prepayment. Payment-in-kind interest accrued and capitalized shall not constitute loan outstanding amounts for the purposes of calculating loan availability.

The Credit Agreement matures on May 20, 2029 (the "Maturity Date"), and the Borrowers may borrow, repay and reborrow amounts under the Credit Agreement until the Maturity Date.

Obligations of the Borrowers under the Credit Agreement are guaranteed by the Company and secured by a lien on substantially all assets of the Company and the Borrowers.

The Credit Agreement contains customary affirmative and negative covenants for a transaction of this type, including covenants that limit liens, asset sales and investments, in each case subject to negotiated exceptions and baskets. In addition, the Credit Agreement contains a maximum leverage ratio covenant as tested quarterly commencing with the close of the fourth quarter of 2027. The Credit Agreement also contains representations and warranties and event of default provisions customary for a transaction of this type. The Company is not aware of any instances of noncompliance with non-financial or financial covenants as of October 2, 2026.

ACF Credit Agreement

On March 12, 2025, we entered into a credit agreement ("ACF Credit Agreement") with ACF FINCO I LP, which provides a total commitment of $15 million and bears interest at an annual rate of adjusted term SOFR (as defined in the ACF Credit Agreement), subject to a 2.0% floor, plus 4.50%. Further, the ACF Credit Agreement is subject to an annual unused line fee of 0.50%. The ACF Credit Agreement includes certain financial operating covenants, including a minimum liquidity requirement of $5 million. The ACF Credit Agreement matures on the earlier of March 12, 2028 or 90 days prior to the maturity date of the Credit Agreement. On October 2, 2026, the ACF Credit Agreement was amended to replace references to the Ansley Loan Agreement with references to the Sixty-First Commercial Loan Agreement in connection with the entry into the Sixty-First Commercial Loan Agreement and repayment and

termination of the Ansley Loan Agreement. As of October 2, 2026, we are not aware of any instances of noncompliance with non-financial or financial covenants.

Sixty-First Commercial Finance Loan Agreement

On October 2, 2026, we, through our wholly-owned subsidiary Shimmick Construction Company, Inc., and Sixty-First Commercial Finance, LLC entered into a Loan and Security Agreement (the "Sixty-First Commercial Loan Agreement") which provides for a borrowing capacity of $14.3 million as evidenced by a promissory note (the "Sixty-First Commercial Promissory Note").

The Sixty-First Commercial Promissory Note has a maturity date of October 2, 2031, and accrues interest at a rate of 9.31% per annum. Upon the occurrence of any default, the lender is entitled to receive interest at a default rate of the lesser of 15.0% per annum and the maximum rate of interest allowable under then applicable law. The lender may also declare the debt and other obligations to be immediately due and payable upon the occurrence of any default, subject to applicable cure periods.

Pursuant to the terms of the Sixty-First Commercial Loan Agreement, we granted a security interest in (a) certain items of equipment, including replacements and additions, described therein (the "Equipment"), (b) all embedded and other software and intellectual property and other intangible rights, relating to the Equipment, (c) any cash and cash-equivalent deposits made by us with lender in connection with the Sixty-First Commercial Promissory Note, (d) all chattel paper, rights under contracts, documents and other rights and general intangibles relating to the sale or transfer of the Equipment or other Collateral (as defined below), (e) all rights relating to any insurance, indemnity, warranty or guaranty with respect to the Equipment or other Collateral, and any proceeds in the form of goods, (f) any and all substitutions, replacements or exchanges for the Equipment or other Collateral, (g) all books and records regarding the foregoing, and (h) any and all proceeds thereof as collateral for the payments under the Sixty-First Commercial Loan Agreement and Sixty-First Commercial Promissory Note ((a) through (h) collectively, the "Collateral"). The Sixty-First Commercial Loan Agreement contains customary affirmative and negative covenants for a transaction of this type. As of October 2, 2026, we are not aware of any instances of noncompliance with non-financial or financial covenants.

Upon the execution of the Sixty-First Commercial Loan Agreement on October 2, 2026, we fully repaid all amounts outstanding under and terminated the Ansley Loan Agreement (as defined below).

Ansley Loan Agreement

On March 31, 2025, we entered into a loan and security agreement (the "Ansley Loan Agreement") with Ansley Park Capital LLC which provides for a borrowing capacity of $15.0 million as evidenced by two promissory notes (each, a "Promissory Note," and together, the "Promissory Notes").

Each Promissory Note had a maturity date of April 1, 2031, and accrued interest at a rate of 12.50% per annum. Pursuant to the terms of the Ansley Loan Agreement, we granted a security interest in (a) certain items of equipment described therein, (b) all leases, rental contracts, chattel paper, accounts, security deposits and general intangibles relating thereto and (c) and any and all proceeds thereof as collateral for the payments under the Ansley Loan Agreement. The Ansley Loan Agreement contained customary affirmative and negative covenants for a transaction of this type. In connection with the Ansley Loan Agreement, we entered into a separate guaranty agreement (each, a "Guaranty Agreement," and together, the "Guaranty Agreements") in favor of the Ansley Park Capital LLC unconditionally guaranteeing our liabilities and the liabilities of one of our wholly-owned subsidiaries under the Ansley Loan Agreement. The Ansley Loan Agreement was fully repaid and terminated on October 2, 2026 upon execution of the Sixty-First Commercial Finance Loan Agreement.

During the nine months ended October 2, 2026, the Company paid $2 million in cash interest and expensed $3 million in non-cash payment-in-kind interest. The total accrued payment-in-kind interest as of October 2, 2026 was $7 million.

Note 7. Income Taxes

We compute the year-to-date income tax provision by applying our estimated annual effective tax rate to our year-to-date pre-tax income and adjust for discrete tax items in the period in which they occur.

The effective tax rate was 0% for the three and nine months ended October 2, 2026 and October 3, 2025.

For the three and nine months ended October 2, 2026 and October 3, 2025, the deferred tax provision resulting from the current year loss is completely offset by the valuation allowance, resulting in zero tax expense.

The Company generally anticipates a zero effective tax rate due to a full valuation allowance. However, the Company may recognize a current tax expense in a specific period if its taxable income, net of available deferred tax assets in that period, exceeds the allowable utilization of tax attributes such as NOL carryforwards. The allowable limitation typically restricts the use of NOL carryforwards to 80% of taxable income.

Deferred Tax Assets and Liabilities

We recognize deferred tax assets and liabilities for future tax consequences arising from differences between the carrying amounts of existing assets and liabilities under U.S. GAAP and their respective tax bases, and for net operating loss carryforwards and tax credit carryforwards. We evaluate the recoverability of our deferred tax assets, weighing all positive and negative evidence, and are required to establish or maintain a valuation allowance for these assets if we determine that it is more likely than not that some or all the deferred tax assets will not be realized.

As of each reporting date, we consider new evidence, both positive and negative, that could impact our view with regard to the future realization of deferred tax assets. We will maintain our positions with regard to future realization of deferred tax assets, including those with respect to which we continue maintaining valuation allowances, until there is sufficient new evidence to support a change in expectations. Such a change in expectations could arise due to many factors, including those impacting our forecasts of future earnings, as well as changes in the tax laws under which we operate and tax planning. It is not reasonably possible to forecast any such changes at the present time, but it is possible that, should they arise, our view of their effect on the future realization of deferred tax assets may impact materially our condensed consolidated financial statements.

Based on cumulative pre-tax losses and other objective negative evidence, the Company concluded that it is more likely than not that its deferred tax assets will not be realized and therefore maintains a full valuation allowance as of October 2, 2026 and January 2, 2026. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased or if the objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence such as our projections for growth.

Note 8. Stock-Based Compensation

On April 12, 2021, the Company’s Board of Directors (the "Board") approved the Company’s 2021 Stock Plan (the “2021 Stock Plan”). The 2021 Stock Plan reserves 5,477,200 of the Company’s shares for issuance of incentive instruments, including Incentive Stock Options (“ISOs”), Non-statutory Stock Options, Stock Appreciation Rights, Restricted Stock Awards, and Restricted Stock Unit Awards. ISOs granted under the Plan have a term of 10 years and vested over four years of service.

On November 13, 2023, the Company’s Board approved the Shimmick Corporation 2023 Equity Incentive Plan (the “2023 Omnibus Incentive Plan”). 3,729,149 was the maximum aggregate number of shares of common stock available under the 2023 Omnibus Incentive Plan (equal to ten percent (10%) of the Company’s common stock outstanding immediately following the completion of the Company’s IPO on November 16, 2023 plus the reserved and authorized shares for awards under the Company’s 2021 Stock Plan that were not granted as of November 13, 2023). The maximum aggregate number of shares of common stock that may be issued under the 2023 Omnibus Incentive Plan automatically increases annually on the first day of each fiscal year, beginning with the 2024 fiscal year in an amount equal to five percent (5%) of common stock outstanding on the last day of the immediately preceding fiscal year unless the plan administration determines that a lesser amount should instead be issued. The shares reserved under the 2023 Omnibus Incentive Plan are for issuance of incentive instruments, including stock options, restricted stock awards, restricted stock units, stock appreciation rights, performance units and other share-based awards.

Total compensation expense related to stock-based grants was $1 million and $3 million for the three and nine months ended October 2, 2026, respectively, and $1 million and $5 million for the three and nine months ended October 3, 2025, respectively. Unrecognized compensation expense related to stock-based grants to employees of Shimmick outstanding was $6 million and $3 million as of October 2, 2026 and October 3, 2025, respectively, to be recognized on a straight-line basis over the awards’ weighted average remaining vesting period of 1.2 years and 0.9 years as of October 2, 2026 and October 3, 2025, respectively.

For the nine months ended October 2, 2026 and October 3, 2025, stock option activity was as follows:

	Stock Options			
	Number of shares	Weighted average exercise price per share	Weighted average grant date fair value	Weighted average years of remaining contractual term
Outstanding as of January 2, 2026	2,058,778	$ 1.26	$ 0.66	5.3
Exercised	(789,977)	1.26	0.66	—
Forfeited & expired	—	—	—	—
Outstanding as of October 2, 2026	1,268,801	1.26	0.66	4.6
Exercisable as of October 2, 2026	1,268,801	$ 1.26	$ 0.66	4.6

	Stock Options			
	Number of shares	Weighted average exercise price per share	Weighted average grant date fair value	Weighted average years of remaining contractual term
Outstanding as of January 3, 2025	3,337,150	$ 1.26	$ 0.66	6.3
Exercised	(1,261,626)	1.26	0.66	—
Forfeited & expired	(211,105)	1.26	0.66	—
Outstanding as of October 3, 2025	1,864,419	1.26	0.66	5.6
Exercisable as of October 3, 2025	1,864,419	$ 1.26	$ 0.66	5.6

The following table summarizes the activities for unvested Shimmick restricted stock units for the nine months ended October 2, 2026 and October 3, 2025:

	Restricted Stock Units	
	Number of shares	Weighted average grant date fair value
Unvested as of January 2, 2026	1,491,745	$ 2.48
Awarded	1,901,139	3.48
Forfeited	—	—
Vested	(1,074,235)	2.68
Unvested as of October 2, 2026	2,318,649	$ 3.29

	Restricted Stock Units	
	Number of shares	Weighted average grant date fair value
Unvested as of January 3, 2025	2,617,110	$ 2.88
Awarded	644,124	1.59
Forfeited	—	—
Vested	(1,484,789)	2.75
Unvested as of October 3, 2025	1,776,445	$ 2.52

Note 9. Earnings Per Share

Basic earnings per share ("EPS") is calculated based on the weighted average shares outstanding during the period. Diluted earnings per share includes the dilutive effect of employee and director stock options and restricted stock units. Stock options are considered dilutive whenever the exercise price is less than the average market price of the stock during the period and antidilutive whenever the exercise price exceeds the average market price of the common stock during the period. All 1.3 million and 1.9 million employee stock options and all 2.3 million and 1.8 million restricted stock units only as of and for the nine months ended October 2, 2026 and October 3, 2025, respectively, and all 1.9 million employee stock options and 1.8 million restricted stock units as of and for the three months ended October 3, 2025 were excluded from the calculation of diluted earnings per share as they are antidilutive to the EPS calculation.

The computation of basic and diluted EPS is as follows:

(In thousands, except per share data)	Three Months Ended		Nine Months Ended	
	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
Numerator:				
Net income (loss) attributable to Shimmick Corporation	$ 848	$ (4,396)	$ (8,517)	$ (22,691)
Numerator for basic and diluted EPS	$ 848	$ (4,396)	$ (8,517)	$ (22,691)
Denominator:				
Denominator for basic EPS - weighted average shares	41,883	35,397	38,821	34,886
Effect of dilutive securities:				
Employee stock options	835	—	—	—
Restricted stock units	952	—	—	—
Dilutive potential common shares	1,787	—	—	—
Denominator for diluted EPS - adjusted weighted average shares and assumed conversions	43,670	35,397	38,821	34,886
Basic earnings per common share	$ 0.02	$ (0.12)	$ (0.22)	$ (0.65)
Diluted earnings per common share	$ 0.02	$ (0.12)	$ (0.22)	$ (0.65)

Note 10. Leases

Lease expenses recorded within the condensed consolidated statements of operations are comprised as follows:

(In thousands)	Three Months Ended		Nine Months Ended	
	October 2, 2026	October 3, 2025	October 2, 2026	October 3, 2025
Operating lease cost				
Cost of revenue	$ 1,660	$ 2,159	$ 5,317	$ 6,652
Selling, general and administrative expenses	244	237	730	761
Finance lease cost (all in cost of revenue):				
Amortization of right-of-use assets	137	516	372	803
Interest on lease liabilities	39	30	108	73
Short-term lease cost	222	171	594	418
Total lease cost	$ 2,302	$ 3,113	$ 7,121	$ 8,707

Additional condensed consolidated balance sheets information related to leases is as follows:

(In thousands)	Balance Sheet Classification	October 2, 2026	January 2, 2026
Assets:			
Operating lease assets	Lease right-of-use assets	$ 13,244	$ 15,255
Finance lease assets	Lease right-of-use assets	1,711	1,211
Total lease assets		$ 14,955	$ 16,466
Liabilities:			
Current:			
Operating lease liabilities	Other current liabilities	$ 3,927	$ 4,372
Finance lease liabilities	Other current liabilities	1,120	337
Total current lease liabilities		$ 5,047	$ 4,709
Non-current:			
Operating lease liabilities	Lease liabilities, non-current	$ 9,760	$ 11,011
Finance lease liabilities	Lease liabilities, non-current	629	902
Total non-current lease liabilities		$ 10,389	$ 11,913

Weighted average remaining lease term information related to leases is as follows:

	October 2, 2026	January 2, 2026
Weighted average remaining lease term (in years):		
Operating leases	3.3	4.2
Finance leases	0.9	2.2
Weighted average discount rate:		
Operating leases	6.2%	7.4%
Finance leases	8.5%	8.8%

Supplemental cash flow information related to leases is as follows:

	Nine Months Ended	
(In thousands)	October 2, 2026	October 3, 2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 4,986	$ 6,723
Financing cash flows from finance leases	363	179
Right-of-use assets obtained in exchange for new operating leases	$ 2,380	$ 1,311

Total remaining lease payments under both the Company's operating and finance leases are as follows:

(In thousands)	Operating Leases	Finance Leases
Year		
2026	$ 1,992	$ 564
2027	3,781	746
2028	3,771	541
2029	2,919	—
2030	2,210	—
Thereafter	1,093	—
Total lease payments	15,766	1,851
Amounts representing interest	(2,079)	(102)
Total lease liabilities	$ 13,687	$ 1,749

Note 11. Commitments and Contingencies

In the Company's joint venture arrangements, the liability of each partner is usually joint and several. This means as each joint venture partner may become liable for the entire risk of performance guarantees provided by each partner to the customer. Typically, each joint venture partner indemnifies the other partners for any liabilities incurred in excess of the liabilities the other party is obligated to bear under the respective joint venture agreement. In addition, the Company may be required to guarantee performance directly to the customer. The Company is unable to estimate the maximum potential amount of future payments that the Company could be required to make under outstanding performance guarantees related to joint venture projects due to a number of factors, including but not limited to, the nature and extent of any contractual defaults by the other joint venture partners, resource availability, potential performance delays caused by the defaults, the location of the projects, and the terms of the related contracts.

In the ordinary course of business, the Company is subject to other claims, lawsuits, investigations and disputes arising out of the conduct of its business, including matters relating to commercial transactions, government contracts, and employment matters. The Company recognizes a liability for contingencies that are probable of occurrence and reasonably estimable. To date, no such matters are material to the condensed consolidated statements of operations.

In certain contracts, there are provisions that require the Company to pay liquidated damages if the Company is responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which customers may make claims against the Company for liquidated damages. Based upon the evaluation of performance and other commercial and legal analysis, management has recognized relevant probable liquidated damages as of October 2, 2026 and January 2, 2026, and believes that the ultimate resolution of such matters will not materially affect the Company's condensed consolidated financial position, results of operations, or cash flows.

In May 2025, a labor management committee affiliated with the Pipefitters Union filed a lawsuit against Shimmick and 20 other defendants, including sureties, alleging violations of the California False Claims Act and related claims. The lawsuit involves 27 projects across 23 public agencies in California, none of which are parties to the case. The Pipefitters Union alleges $4.7 billion in damages, which is based on the cumulative contract values for each project, plus treble damages under the California False Claims Act. The Union alleges Shimmick improperly assigned work to the Laborers Union instead of the Pipefitters Union and violated apprenticeship rules by failing to meet the required apprentice-to-journeyperson work ratio. Shimmick denies all claims, and asserts exceptions and disclosures occurred such that the claims have no merit. Shimmick also disputes the legal theory underlying the case and views the use of the False Claims Act as a misapplication of the statute. The process of discovery and evaluation is in its early stages and it is too early to assess if any loss is probable.

The Company has recorded contingent consideration as of October 2, 2026 and January 2, 2026 at its estimated fair value. The Company is unable to reasonably determine an estimated range of amounts of the payments that could be made due to the uncertainty of future events.

Guarantees

The Company obtains bonding on construction contracts through third-party bonding companies. As is customary in the construction industry, the Company indemnifies the third-party bonding companies for any losses incurred by it in connection with bonds that are issued. The Company has granted the third-party bonding companies a security interest in accounts receivable, contract assets and contract rights for that obligation.

The Company typically indemnifies contract owners for claims arising during the construction process and carries insurance coverage for such claims.

Letters of Credit

In the ordinary course of business and under certain contracts, the Company is required to post standby letters of credit for its insurance carriers. At October 2, 2026, the total amount of standby letters of credit outstanding was $10 million. The Company did not have any letters of credit outstanding as of January 2, 2026.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding and assessing the trends and significant changes in our results of operations and financial condition. Historical results may not be indicative of future performance. The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and all other non-historical statements in this discussion are forward looking statements and are based on the beliefs of our management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those discussed in or implied by forward looking statements as a result of various factors, including those discussed below and elsewhere in this Form 10-Q, particularly in "Forward-Looking Statements" or in other sections of this Form 10-Q, as well as the "Risk Factors" section in the Form 10-K and those described from time to time in our future reports with the SEC. This discussion should be read in conjunction with our unaudited condensed consolidated financial statements and the notes thereto included elsewhere in this Form 10-Q.

In this discussion, we use certain non-GAAP financial measures. Explanation of these non-GAAP financial measures and reconciliation to the most directly comparable GAAP financial measures are included in this Management's Discussion and Analysis of Financial Condition and Results of Operations. Investors should not consider non-GAAP financial measures in isolation or as substitutes for financial information presented in compliance with GAAP.

Overview and History

We are a construction services provider to public and private customers in critical infrastructure markets. We self-perform civil, mechanical and electrical construction work, and we concentrate on three markets:

- Water resources, water and wastewater treatment, and climate resilience
- Power and electrification
- Mission critical infrastructure

We also pursue public transportation projects on a selective basis.

We were founded in 1990 in Oakland, California. In 2017, we were acquired by AECOM and our business was combined with construction operations formerly conducted by Morrison Knudsen and Washington Group International. In 2021, we were sold by AECOM and became an independent company under private ownership (the "AECOM Sale Transaction"). In November 2023, we completed our initial public offering (the "IPO"). Our common stock is listed on the Nasdaq Capital Market under the symbol "SHIM."

Strategy

Our current strategic plan, which we began implementing in 2025, is directed at expanding our self-performed mechanical, electrical and civil construction capabilities within our focus markets and competing on the basis of technical capability and cost and schedule performance while maintaining a low-risk portfolio of projects that are within our core competencies. In furtherance of this strategy, on June 23, 2025, we launched Axia Electric, a subsidiary through which we provide electrical and power distribution services and through which we may expand into additional geographies as our business requires.

Focus Markets

Water resources, treatment and climate resilience. We construct, rehabilitate and upgrade dams, reservoirs, water conveyance and storage systems, as well as flood control systems, pump stations and coastal infrastructure. We also expand, rehabilitate, upgrade and construct water and wastewater treatment facilities, including primary, secondary treatment systems, direct and indirect potable reuse systems, and desalination facilities.

Power and electrification. We perform electrification work for public and private facilities, including projects associated with the transition from fossil fuel-based systems, and we install medium- and low-voltage electrical systems at industrial facilities, ports, airports and other infrastructure sites.

Mission critical infrastructure. We perform civil, electrical and mechanical construction supporting customers in the technology, critical minerals, defense and other sectors that we characterize as mission critical. This has been an area of increased activity for us in recent periods.

As of October 2, 2026, our backlog was approximately $907 million, compared with approximately $754 million as of October 3, 2025, an increase of 20.3%. The increase was primarily attributable to our new strategy of expanded bidding activity with a focus on risk-balanced contracts in our target markets.

Our backlog as of October 2, 2026 was concentrated in California, Texas and Washington, with the remainder attributable to projects in four other states.

Recent Developments

Backlog

On July 27, 2026, Shimmick announced the Santa Clara Valley Water District Board of Directors approved the award of the $124 million Coyote Creek Flood Protection Project to Shimmick. However, Valley Water and Shimmick mutually agreed to end that contract. The $124 million is not included in the October 2, 2026 ending backlog.

Sixty-First Commercial Finance Loan Agreement

On October 2, 2026 (the "Closing Date"), the Company, through its wholly-owned subsidiary Shimmick Construction Company, Inc. (the "Borrower"), and Sixty-First Commercial Finance, LLC (the "Lender") entered into a Loan and Security Agreement (the "Sixty-First Commercial Loan Agreement") which provides for a borrowing capacity of $14.3 million as evidenced by a promissory note (the "Sixty-First Commercial Promissory Note").

The Sixty-First Commercial Promissory Note has a maturity date of October 2, 2031, and accrues interest at a rate of 9.31% per annum (the "Interest Rate"). Upon the occurrence of any Default (as defined in the Sixty-First Commercial Loan Agreement), the Lender is entitled to receive interest at a default rate of the lesser of 15.0% per annum and the maximum rate of interest allowable under then applicable law. The Lender may also declare the debt and other obligations of the Borrower to be immediately due and payable upon the occurrence of any Default, subject to applicable cure periods.

Upon the execution of the Sixty-First Commercial Loan Agreement, on the Closing Date, the Company fully repaid all amounts outstanding under and terminated the Loan and Security Agreement with Ansley Park Capital LLC previously entered into on March 12, 2025.

Key Factors Affecting Our Performance and Results of Operations

We expect that our results of operations will be affected by a number of factors which we have discussed below.

Weather, natural disasters and emergencies. The results of our business in a given period can be impacted by adverse weather conditions, severe weather events, natural disasters or other emergencies, which include, among other things, heavy or prolonged snowfall or rainfall, hurricanes, tropical storms, tornadoes, floods, blizzards, extreme temperatures, wildfires, post-wildfire floods and debris flows, pandemics and earthquakes. These conditions and events can negatively impact our financial results due to, among other things, the termination, deferral or delay of projects, reduced productivity and exposure to significant liabilities.

Seasonality. Typically, our revenue is lowest in the first quarter of the year because cold, snowy or wet conditions can create challenging working environments that are more costly for our customers or cause delays on projects. Second quarter revenue is typically higher than those in the first quarter, as some projects begin, but continued cold and wet weather can often impact productivity. Third quarter revenue is typically the highest of the year, as a greater number of projects are underway and operating conditions, including weather, are normally more accommodating. Project geographic location will also dictate how seasonality affects productivity and timing. Also, the holiday season and inclement weather can sometimes cause delays during the fourth quarter, reducing revenue and increasing costs.

Our Ability to Fulfill Backlog Orders. Our backlog consists of the estimated amount of services to be completed from future work on uncompleted contracts or work that has been awarded with contracts still being negotiated. It also includes revenue from change orders and renewal options. Most of our contracts are cancelable on short or no advance notice. Reductions in backlog due to cancellation by a customer, or for other reasons, could significantly reduce the revenue that we actually receive from contracts in backlog. In the event of a project cancellation, we may be reimbursed for certain costs, but we typically have no contractual right to the total revenues reflected in our backlog. Backlog amounts are determined based on target price estimates that incorporate historical trends, anticipated seasonal impacts, experience from similar projects and from communications with our customers. These estimates may prove inaccurate, which could cause estimated revenue to be realized in periods later than originally expected, or not at all. As a result, our backlog as of any particular date is an uncertain indicator of future revenue and earnings. In addition, contracts included in

our backlog may not be profitable. If our backlog fails to materialize, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

Our Ability to Obtain New Projects. We selectively bid on projects that we believe offer an opportunity to meet our profitability objectives or that offer the opportunity to enter promising new markets. The potential customers conduct rigorous competitive processes for awarding many contracts. We will potentially face strong competition and pricing pressures for any additional contract awards from other government agencies, and we may be required to qualify or continue to qualify under various multiple award task order contract criteria.

Our Ability to Successfully Expand our Footprint. We review our bidding opportunities to attempt to minimize concentration of work with any one customer, in any one industry, or in tight labor markets. We believe that by carefully positioning ourselves in markets that have meaningful barriers to entry, like those with highly technical or specialized scopes of work, we can continue to be competitive. For example, we target projects with significant, highly-technical work that we can self-perform. We believe this provides us with a distinct pricing advantage, as well as better risk management. In addition, as a result of federal and state-level infrastructure initiatives, we believe that funding for technical construction projects may exceed capacity, enabling us to opportunistically target smaller specialized projects with less risk at higher margins. We may be limited in our ability to expand our footprint by barriers to entry to new markets, competition, and availability of capital and skilled labor.

We primarily compete for new contracts independently, seeking to win and complete new projects directly for our customers. Our customers primarily award contracts using one of two methods: the traditional public "competitive bid" method, in which price is the major determining factor, or through a "best value" or collaborative contract proposal, where contracts are awarded based on a combination of technical qualifications, proposed project team, schedule, the ability to obtain surety bonds, past performance on similar projects and price, which we believe creates a barrier to entry. Many of our contracts are awarded on a fixed-price basis, and we earn and recognize revenue using an input measure of total costs incurred divided by total costs expected to be incurred.

Our Ability to Obtain Approval of Change Orders and Successfully Pursue Claims. We are subject to variation in scope and cost of projects from our original projections. In certain circumstances, we seek to collect or assert claims against customers, engineers, consultants, subcontractors or others involved in a project for additional costs exceeding the contract price or for amounts not included in the original contract price. Our experience has often been that public customers have been willing to negotiate equitable adjustments in the contract compensation or completion time provisions if unexpected circumstances arise. However, this process may result in disputes over whether the work performed is beyond the scope of the work included in the original project plans and specifications or, if the customer agrees that the work performed qualifies as extra work, the price that the customer is willing to pay for the extra work. Public customers may seek to impose contractual risk-shifting provisions more aggressively or there could be statutory and other legal prohibitions that prevent or limit contract changes or equitable adjustments.

Our Ability to Control Project Costs. Our costs primarily consist of payroll, equipment, materials, and other project related expenses. With a consistent focus on profitability by our management team, we leverage information technology and utilize financial systems to improve project execution and control costs. However, if we are unable to accurately estimate the overall risks, requirements or costs when we bid on or negotiate a contract that is ultimately awarded to us, we may achieve a lower than anticipated profit or incur a loss on the contract. Also, our labor and training expenses may increase as a result of a shortage in the supply of skilled personnel. We may not be able to pass these expenses on to our customers, which could adversely affect our profitability. To the extent that we are unable to buy construction equipment necessary for our needs, either due to a lack of available funding or equipment shortages in the marketplace, we may be forced to rent equipment on a short-term basis, which could increase the costs of performing our contracts. If we are unable to continue to maintain the equipment in our fleet, we may be forced to obtain third-party repair services, which could increase our costs. In addition, the market value of our equipment may unexpectedly decline at a faster rate than anticipated.

In addition, as is customary in the construction business, we are required to provide surety bonds to our customers to secure our performance under construction contracts. Our ability to obtain surety bonds primarily depends upon our capitalization, working capital, past performance, management expertise and reputation, as well as certain external factors, including the overall capacity of the surety market. Surety companies consider such factors in relationship to the amount of our backlog and their underwriting standards, which may change from time to time. Events that adversely affect the insurance and bonding markets generally may result in bonding becoming more difficult to obtain in the future, or being available only at a significantly greater cost. If we are unable to obtain adequate bonding or if the cost of bonding materially increased, it would limit the amount that we can bid on new contracts, limit the competitiveness of our bids, and could have a material adverse effect on our future revenue and business prospects.

Our Ability to Control Selling General and Administrative Costs. We incur significant expenses on an ongoing basis as a public company that we did not incur as a private company. Those costs include additional director and officer liability insurance expenses, stock exchange listing expenses, as well as third-party and internal resources related to accounting, auditing, Sarbanes-Oxley Act

compliance, legal and investor and public relations expenses. These costs are generally selling, general and administrative expenses. We have also implemented the 2023 Omnibus Incentive Plan to align our equity compensation program with public company plans and practices, which increases our stock-based compensation expense.

Joint Ventures. We participate in various construction joint ventures in order to share expertise, risk and resources for certain highly complex, large, and/or unique projects. Generally, each construction joint venture is formed to accomplish a specific project and is jointly controlled by the joint venture partners. We select our joint venture partners based on our analysis of their construction and financial capabilities, expertise in the type of work to be performed and past working relationships, among other criteria. The joint venture agreements typically provide that our interests in any profits and assets, and our respective share in any losses and liabilities, that may result from the performance of the contract are limited to our stated percentage interest in the project. Under each joint venture agreement, one partner is designated as the sponsor. The sponsoring partner typically provides administrative, accounting and much of the project management support for the project and generally receives a fee from the joint venture for these services. We have been designated as the sponsoring partner in some venture projects and are a non-sponsoring partner in others. We incur transaction and integration costs prior to fully realizing the benefits of acquisition synergies. Joint ventures often require significant investments before they begin operations and we incur many of these costs prior to realizing any gain on the investment in the joint venture. If we are unable to recoup these costs, it could have a significant impact on our business.

How We Assess Performance of Our Business

Revenue

We currently derive our revenue predominantly by providing infrastructure, operations and management services around the United States. We generally recognize revenue over-time as performance obligations are satisfied and control over promised goods or services are transferred to our customers.

Gross Margin

Gross margin represents revenue less contract costs. Contract costs consist of all direct and indirect costs on contracts, including raw materials, labor, equipment costs, and subcontractor costs. If the estimates of costs to complete fixed-price contracts indicate a further loss, the entire amount of the additional loss expected over the life of the project is recognized in the current period in cost of revenue.

Selling, General, and Administrative Expenses

Selling, general and administrative expenses consist primarily of salaries and personnel costs for our administrative, finance and accounting, legal, information systems, human resources and certain managerial employees. Additional expenses include audit, consulting and professional fees, travel, insurance, office space rental costs, property taxes and other corporate and overhead expenses.

Equity in Earnings of Unconsolidated Joint Ventures

Equity in earnings of unconsolidated joint ventures includes our return on investment in unconsolidated joint ventures.

Net Income (Loss)

Net income (loss) represents earnings after consideration of all operating expenses and other income and expenses to measure loss to allocate resources and assess financial performance.

Results of Operations

Three Months Ended October 2, 2026 compared to the Three Months Ended October 3, 2025

The following table sets forth selected financial data for the three months ended October 2, 2026 compared to the three months ended October 3, 2025:

	Three Months Ended				% of Revenue	
(In thousands, except percentage data)	**October 2, 2026**	**October 3, 2025**	**$ Change**	**% Change**	**October 2, 2026**	**October 3, 2025**
Revenue	$ 135,798	$ 141,920	$ (6,122)	(4)%	100%	100%
Cost of revenue	118,864	131,131	(12,267)	(9)	88	92
Gross margin	16,934	10,789	6,145	57	12	8
Selling, general and administrative expenses	14,300	14,292	8	0	11	10
Total operating expenses	14,300	14,292	8	0	11	10
Equity in earnings of unconsolidated joint ventures	909	312	597	191	1	—
Gain on sale of assets, net	62	10	52	520	—	—
Income (loss) from operations	3,605	(3,181)	6,786	(213)	3	(3)
Interest expense	2,680	1,434	1,246	87	2	1
Other expense (income), net	77	(219)	296	(135)	—	—
Net income (loss) before income tax	848	(4,396)	5,244	(119)	1	(4)
Income tax expense	—	—	—	—	—	—
Net income (loss)	$ 848	$ (4,396)	$ 5,244	(119)%	1%	(4)%

Revenue and gross margin

The following table sets forth selected revenue and gross margin data for the three months ended October 2, 2026 compared to the three months ended October 3, 2025:

	Three Months Ended			
(In thousands, except percentage data)	**October 2, 2026**	**October 3, 2025**	**$ Change**	**% Change**
Shimmick Projects				
Revenue	$ 136,221	$ 106,826	$ 29,395	28%
Gross Margin	$ 17,710	$ 9,964	$ 7,746	78%
Gross Margin (%)	13%	9%		
Non-Core Projects				
Revenue	$ (423)	$ 35,094	$ (35,517)	(101)%
Gross Margin	$ (776)	$ 825	$ (1,601)	(194)%
Gross Margin (%)	183%	2%		
Consolidated Total				
Revenue	$ 135,798	$ 141,920	$ (6,122)	(4)%
Gross Margin	$ 16,934	$ 10,789	$ 6,145	57%
Gross Margin (%)	12%	8%		

Shimmick Projects

Projects started after the AECOM Sale Transaction ("Shimmick Projects") have focused on critical infrastructure aligned with our strategy, including water, climate resilience, energy transition and sustainable transportation. Revenue recognized on Shimmick Projects was $136 million and $107 million for the three months ended October 2, 2026 and October 3, 2025, respectively. The $29 million increase in revenue was primarily the result of $69 million of increases in revenue from recently awarded projects ramping up. These increases were partially offset by a $14 million decrease in revenue as the result of the completion of a lower margin operation and maintenance project during the third quarter of fiscal year 2025 and $26 million of decreases in revenue from lower activity on projects winding down and completing.

Gross margin recognized on Shimmick Projects was $18 million and $10 million for the three months ended October 2, 2026 and October 3, 2025, respectively. The $8 million increase in gross margin was primarily the result of recently awarded projects ramping up.

Non-Core Projects

As part of the AECOM Sale Transaction, we acquired projects and backlog that were started under prior ownership (formerly referred to as "Legacy and Foundations Projects").

Non-Core Projects revenue was $(423) thousand and $35 million for the three months ended October 2, 2026 and October 3, 2025, respectively. The $36 million decrease was primarily the result of the termination of one Non-Core Project in Tennessee during the second quarter of 2026 and the Company working to wind down these Non-Core Projects.

Gross margin recognized on Non-Core Projects was $(1) million for the three months ended October 2, 2026 as compared to $1 million for the three months ended October 3, 2025. The $2 million decrease was primarily the result of favorable cost savings recognized during the three months ended October 3, 2025 which did not reoccur during the three months ended October 2, 2026.

A subset of Non-Core Projects ("Non-Core Loss Projects") has experienced significant cost overruns due to the COVID pandemic, design issues, legal costs and other factors. In the Non-Core Loss Projects, we have recognized the estimated costs to complete and the loss expected from these projects. If the estimates of costs to complete fixed-price contracts indicate a further loss, the entire amount of the additional loss expected over the life of the project is immediately recognized as a period cost in the cost of revenue. As these Non-Core Loss Projects continue to wind down to completion, no further gross margin will be recognized absent external factors and in some cases, there may be additional costs associated with these projects that could lower gross margin. Revenue recognized on these Non-Core Loss Projects was $(2) million and $31 million for the three months ended October 2, 2026 and October 3, 2025, respectively. Gross margin recognized on these Non-Core Loss Projects was $(1) million and $1 million for the three months ended October 2, 2026 and October 3, 2025, respectively. The decrease in gross margin was primarily the result of the Company working to wind down these Non-Core Loss Projects as well as legal expenses incurred.

Selling, general and administrative expenses

Selling, general and administrative expenses remained approximately flat period over period.

Equity in earnings of unconsolidated joint ventures

Equity in earnings of unconsolidated joint ventures increased by $1 million during the three months ended October 2, 2026 primarily as the result of an increase in activity on a dam project in the current year as compared to the three months ended October 3, 2025.

Gain on sale of assets, net

Gain on sale of assets, net remained approximately flat period over period.

Interest expense

Interest expense increased by $1 million during the three months ended October 2, 2026 primarily due to the accelerated recognition of remaining unamortized debt issuance expenses resulting from the early repayment of the Ansley Loan Agreement in connection with a refinancing at a lower interest rate during the three months ended October 2, 2026.

Other expense (income), net

Other expense (income), net remained approximately flat period over period.

Income tax expense

Due to an expected loss for the fiscal year ending 2026 and a realized tax loss for the fiscal year ended 2025, no income tax expense was recorded for either the three months ended October 2, 2026 or the three months ended October 3, 2025.

Net income (loss)

Net income (loss) increased by $5 million to net income of $1 million for the three months ended October 2, 2026, primarily due to an increase in gross margin of $6 million and an increase in equity in earnings of unconsolidated joint ventures of $1 million, partially offset by an increase in interest expense of $1 million, all as described above.

Nine months ended October 2, 2026 compared to the Nine Months Ended October 3, 2025

The following table sets forth selected financial data for the nine months ended October 2, 2026 compared to the nine months ended October 3, 2025:

	Nine Months Ended				% of Revenue	
(In thousands, except percentage data)	**October 2, 2026**	**October 3, 2025**	**$ Change**	**% Change**	**October 2, 2026**	**October 3, 2025**
Revenue	$ 330,447	$ 392,432	$ (61,985)	(16)%	100%	100%
Cost of revenue	290,161	368,818	(78,657)	(21)	88	94
Gross margin	40,286	23,614	16,672	71	12	6
Selling, general and administrative expenses	44,745	43,701	1,044	2	14	11
Total operating expenses	44,745	43,701	1,044	2	14	11
Equity in earnings of unconsolidated joint ventures	3,054	851	2,203	259	1	—
Gain on sale of assets, net	40	80	(40)	(50)	—	—
Loss from operations	(1,365)	(19,156)	17,791	(93)	(1)	(5)
Interest expense	6,892	3,747	3,145	84	2	1
Other expense (income), net	134	(371)	505	(136)	—	—
Net loss before income tax	(8,391)	(22,532)	14,141	(63)	(3)	(6)
Income tax expense	—	—	—	—	—	—
Net loss	$ (8,391)	$ (22,532)	$ 14,141	(63)%	(3)%	(6)%

Revenue and gross margin

The following table sets forth selected revenue and gross margin data for the nine months ended October 2, 2026 compared to the nine months ended October 3, 2025:

	Nine Months Ended			
(In thousands, except percentage data)	**October 2, 2026**	**October 3, 2025**	**$ Change**	**% Change**
Shimmick Projects				
Revenue	$ 319,786	$ 312,599	$ 7,187	2%
Gross Margin	$ 38,387	$ 30,150	$ 8,237	27%
Gross Margin (%)	12%	10%		
Non-Core Projects				
Revenue	$ 10,661	$ 79,833	$ (69,172)	(87)%
Gross Margin	$ 1,899	$ (6,536)	$ 8,435	(129)%
Gross Margin (%)	18%	(8)%		
Consolidated Total				
Revenue	$ 330,447	$ 392,432	$ (61,985)	(16)%
Gross Margin	$ 40,286	$ 23,614	$ 16,672	71%
Gross Margin (%)	12%	6%		

Shimmick Projects

Revenue recognized on Shimmick Projects was $320 million and $313 million for the nine months ended October 2, 2026 and October 3, 2025, respectively. The $7 million increase in revenue was primarily the result of $134 million of increases in revenue from recently awarded projects ramping up. These increases were partially offset by a $57 million decrease in revenue as the result of the completion of a lower margin operation and maintenance project during the third quarter of fiscal year 2025 and $70 million of decreases in revenue from lower activity on projects winding down and completing.

Gross margin recognized on Shimmick Projects was $38 million and $30 million for the nine months ended October 2, 2026 and October 3, 2025, respectively. The $8 million increase in gross margin was primarily the result of $12 million increases in gross margin from recently awarded projects ramping up, partially offset by $4 million of decreases from projects winding down and completing.

Non-Core Projects

Non-Core Projects revenue was $11 million and $80 million for the nine months ended October 2, 2026 and October 3, 2025, respectively. The $69 million decrease was primarily the result of the notice of termination associated with one Non-Core Project in Tennessee during the second quarter 2026 as well as a $22 million decrease from the Company working to wind down these Non-Core Projects and legal expenses incurred.

Gross margin was $2 million for the nine months ended October 2, 2026 as compared to $(7) million for the nine months ended October 3, 2025. The $8 million increase was primarily the result of a positive outcome of a project close-out and settlement during the nine months ended October 2, 2026 as well as certain time and design-related schedule extensions identified during the nine months ended October 3, 2025 which did not reoccur during the nine months ended October 2, 2026.

A subset of Non-Core Projects ("Non-Core Loss Projects") has experienced significant cost overruns due to the COVID pandemic, design issues, legal costs and other factors. In the Non-Core Loss Projects, we have recognized the estimated costs to complete and the loss expected from these projects. If the estimates of costs to complete fixed-price contracts indicate a further loss, the entire amount of the additional loss expected over the life of the project is recognized as a period cost in the cost of revenue. As these Non-Core Loss Projects continue to wind down to completion, no further gross margin will be recognized absent external factors and in some cases, there may be additional costs associated with these projects that could lower gross margin. Revenue recognized on these Non-Core Loss Projects was $3 million and $61 million for the nine months ended October 2, 2026 and October 3, 2025, respectively. Gross margin recognized on these Non-Core Loss Projects was $(1) million and $(3) million for the nine months ended October 2, 2026 and October 3, 2025, respectively. The change in gross margin was primarily the result of cost increases for time and design-related schedule extensions identified during the nine months ended October 3, 2025 which did not reoccur during the nine months ended October 2, 2026.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by $1 million during the nine months ended October 2, 2026 primarily as a result of increases in legal costs.

Equity in earnings of unconsolidated joint ventures

Equity in earnings of unconsolidated joint ventures increased by $2 million during the nine months ended October 2, 2026 primarily as the result of an increase in activity on a dam project in the current year as well cost increases incurred on a transit project during the nine months ended October 3, 2025 which did not reoccur during the nine months ended October 2, 2026.

Gain on sale of assets, net

Gain on sale of assets, net remained approximately flat period over period.

Interest expense

Interest expense increased by $3 million during the nine months ended October 2, 2026 primarily due to increased average long-term debt balances outstanding during the nine months ended October 2, 2026 as compared to the nine months ended October 3, 2025 as well as the accelerated recognition of remaining unamortized debt issuance expenses resulting from the early repayment of the Ansley Loan Agreement in connection with a refinancing at a lower interest rate during the third quarter of 2026.

Other expense (income), net

Other expense (income), net remained approximately flat period over period.

Income tax expense

Due to an expected loss for the fiscal year ending 2026 and a realized tax loss for the fiscal year ended 2025, no income tax expense was recorded for either the nine months ended October 2, 2026 or the nine months ended October 3, 2025.

Net loss

Net loss decreased by $14 million to a net loss of $8 million for the nine months ended October 2, 2026, primarily due to increase in gross margin of $17 million and increase in equity in earnings of unconsolidated joint ventures of $2 million, partially offset by an increase in interest expense of $3 million and an increase in selling, general and administrative expenses of $1 million, all as described above.

Non-GAAP Financial Measures

We report our financial results in accordance with GAAP. However, management believes that certain non-GAAP financial measures provide investors with additional useful information in evaluating our performance. Therefore, to supplement our condensed consolidated financial statements, we provide investors with certain non-GAAP financial measures, including Adjusted net income (loss) and Adjusted EBITDA.

Adjusted Net Income (Loss)

Adjusted net income (loss) represents Net income (loss) attributable to Shimmick Corporation adjusted to eliminate stock-based compensation, legal fees and other costs for Non-Core Projects and transaction-related costs and changes in fair value of contingent consideration remaining after the impact of transactions with our prior owner. We have also made an adjustment for transformation costs we have incurred including advisory costs in connection with settling outstanding claims, exiting the Non-Core Projects and transforming the Company to shift our strategy to meet the nation's growing need for water and other critical infrastructure and grow our business.

We have included Adjusted net income (loss) in this Form 10-Q because it is a key measure used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short and long-term operational plans. In particular, we believe that the exclusion of the income and expenses eliminated in calculating Adjusted net income (loss) can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted income (loss) provides useful information to investors and others in understanding and evaluating our results of operations.

Our use of Adjusted net income (loss) as an analytical tool has limitations, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under GAAP. Some of these limitations are:

- Adjusted net income (loss) does not reflect changes in, or cash requirements for, our working capital needs,
- Adjusted net income (loss) does not reflect the potentially dilutive impact of stock-based compensation, and
- other companies, including companies in our industry, might calculate Adjusted net income (loss) or similarly titled measures differently, which reduces their usefulness as comparative measures.

Because of these and other limitations, you should consider Adjusted net income (loss) alongside Net income (loss) attributable to Shimmick Corporation, which is the most directly comparable GAAP measure.

Adjusted EBITDA

Adjusted EBITDA represents our Net income (loss) attributable to Shimmick Corporation before interest expense, income tax expense and depreciation and amortization, adjusted to eliminate stock-based compensation, legal fees and other costs for Non-Core Projects and transaction-related costs and changes in fair value of contingent consideration remaining after the impact of transactions with our prior owner. We have also made an adjustment for transformation costs we have incurred including advisory costs in connection with settling outstanding claims, exiting the Non-Core Projects and transforming the Company to shift our strategy to meet the nation's growing need for water and other critical infrastructure and grow our business.

We have included Adjusted EBITDA in this Form 10-Q because it is a key measure used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short and long-term operational plans. In particular, we believe that the exclusion of the income and expenses eliminated in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations.

Our use of Adjusted EBITDA as an analytical tool has limitations, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under GAAP. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized might have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements,
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs,
- Adjusted EBITDA does not reflect the potentially dilutive impact of stock-based compensation,
- Adjusted EBITDA does not reflect interest or tax payments that would reduce the cash available to us, and
- other companies, including companies in our industry, might calculate Adjusted EBITDA or similarly titled measures differently, which reduces their usefulness as comparative measures.

Because of these and other limitations, you should consider Adjusted EBITDA alongside Net income (loss) attributable to Shimmick Corporation, which is the most directly comparable GAAP measure.

See reconciliations below:

	Three Months Ended		Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**	**October 2, 2026**	**October 3, 2025**
Net income (loss) attributable to Shimmick Corporation	$ 848	$ (4,396)	$ (8,517)	$ (22,691)
Transformation costs [1]	90	142	418	1,582
Stock-based compensation	1,058	1,202	2,961	4,520
Legal fees and other costs for Non-Core Projects [2]	1,482	2,652	5,484	3,746
Other [3]	71	164	268	397
Adjusted net income (loss)	$ 3,549	$ (236)	$ 614	$ (12,446)

	Three Months Ended		Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**	**October 2, 2026**	**October 3, 2025**
Net income (loss) attributable to Shimmick Corporation	$ 848	$ (4,396)	$ (8,517)	$ (22,691)
Interest expense	2,680	1,434	6,892	3,747
Income tax expense	—	—	—	—
Depreciation and amortization	2,676	3,131	8,426	9,840
Transformation costs [1]	90	142	418	1,582
Stock-based compensation	1,058	1,202	2,961	4,520
Legal fees and other costs for Non-Core Projects [2]	1,482	2,652	5,484	3,746
Other [3]	71	164	268	397
Adjusted EBITDA	$ 8,905	$ 4,329	$ 15,932	$ 1,141

(1) Consists of transformation-related costs we have incurred including advisory costs in connection with settling outstanding claims in connection with exiting certain Non-Core Projects as part of the Company's growth strategy to address and capitalize on the nation's growing need for water and other critical infrastructure.
(2) Consists of legal fees and other costs incurred in connection with claims relating to Non-Core Projects.
(3) Consists of transaction-related costs and changes in fair value of contingent consideration remaining after the impact of transactions with our prior owner.

Liquidity and Capital Resources

Capital Requirements and Sources of Liquidity

Our capital expenditures were approximately $2 million and $6 million for the nine months ended October 2, 2026 and October 3, 2025, respectively. Historically, we have had significant cash requirements in order to organically expand our business to undertake new projects. Our cash requirements include costs related to increased expenditures for equipment, facilities and information systems, purchase of materials and production of materials and cash to fund our organic expansion into new markets, including through joint ventures. Our working capital needs are driven by the seasonality and growth of our business, with our cash requirements greater in periods of growth. Additional cash requirements resulting from our growth include the costs of additional personnel, enhancing our information systems, our compliance with laws and rules applicable to being a public company and, in the future, our integration of any acquisitions. Unrestricted cash and cash equivalents at October 2, 2026 totaled $34 million and availability under the ACF Credit Agreement and Credit Agreement totaled $15 million and $4 million, respectively, resulting in total liquidity of $53 million.

We have historically relied upon cash available through operating activities, in addition to credit facilities and existing cash balances, to finance our working capital requirements and to pursue new contracts. However, we regularly monitor other potential capital sources, including equity and debt financing, in an effort to meet our planned expenditures and liquidity requirements.

As is customary in our business, we are required to provide surety bonds to secure our performance under our contracts. Our ability to obtain surety bonds primarily depends upon our capitalization, working capital, past performance, management expertise and reputation and certain external factors, including the overall capacity of the surety market. Surety companies consider such factors in relationship to the amount of our backlog and their underwriting standards, which may change from time to time. We have pledged proceeds and other rights under our contracts to our bond surety company. Events that affect the insurance and bonding markets may result in bonding becoming more difficult to obtain in the future, or being available only at a significantly greater cost.

We believe that our operating, investing and financing cash flows are sufficient to fund our operations for at least the next twelve months and thereafter for the foreseeable future. However, future cash flows are subject to a number of variables, and significant additional expenditures will be required to conduct our operations. There can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain planned or future levels of expenditures. In the event we make one or more acquisitions and the amount of capital required is greater than the amount we have available for acquisitions at that time, we could be required to reduce the expected level of expenditures and/or seek additional capital. If we seek additional capital, we may do so through joint ventures, asset sales and sale-leaseback transactions, offerings of debt or equity securities or other means. We cannot guarantee that this additional capital will be available on acceptable terms or at all. If we are unable to obtain the funds we need, we may not be able to complete acquisitions that may be favorable to us or finance the expenditures necessary to conduct our operations.

Total debt outstanding on the condensed consolidated balance sheets is comprised of the following:

(In thousands)	**October 2, 2026**	**January 2, 2026**
Credit Agreement	$ 62,451	$ 46,424
ACF Credit Agreement	—	8,194
Sixty-First Commercial Finance Loan Agreement	14,285	—
Ansley Loan Agreement	—	12,971
Unamortized debt issuance costs	(2,198)	(3,130)
Total debt, net	74,538	64,459
Less: Current portion of long-term debt, net	1,916	4,143
Long-term debt, less current portion, net	$ 72,622	$ 60,316

Credit Agreement

On May 20, 2024, the Company, as guarantor, and its wholly-owned subsidiaries as borrowers (“Borrowers”), Alter Domus (US) LLC, as agent, and AECOM and Berkshire Hathaway Specialty Insurance Company (“BHSI”) as lenders, entered into a revolving credit facility (the “Credit Agreement”), which was most recently amended on November 4, 2026 to, among other things, waive the specified noncompliance of the Material Project Documents covenant regarding entering into non-bonded contracts. The Credit Agreement was previously amended on October 2, 2026 to replace references to the Ansley Loan Agreement (as defined below) with references to the Sixty-First Commercial Finance Loan Agreement (as defined below) in connection with the entry into the Sixty-First Commercial Loan Agreement and repayment and termination of the Ansley Loan Agreement. As amended, the Credit Agreement provides borrowing capacity up to $60 million. The obligations under the Credit Agreement bear interest at a per annum rate equal to One Month Term SOFR (as defined in the Credit Agreement), subject to a 1.00% floor, plus 3.50%. Interest on any outstanding amounts drawn under the Credit Agreement will be payable, in kind or in cash at our election, on the last day of each month and upon

prepayment. Payment-in-kind interest accrued and capitalized shall not constitute loan outstanding amounts for the purposes of calculating loan availability.

The Credit Agreement matures on May 20, 2029 (the "Maturity Date"), and the Borrowers may borrow, repay and reborrow amounts under the Credit Agreement until the Maturity Date.

Obligations of the Borrowers under the Credit Agreement are guaranteed by the Company and secured by a lien on substantially all assets of the Company and the Borrowers.

The Credit Agreement contains customary affirmative and negative covenants for a transaction of this type, including covenants that limit liens, asset sales and investments, in each case subject to negotiated exceptions and baskets. In addition, the Credit Agreement contains a maximum leverage ratio covenant as tested quarterly commencing with the close of the fourth quarter of 2027. The Credit Agreement also contains representations and warranties and event of default provisions customary for a transaction of this type. The Company is not aware of any instances of noncompliance with non-financial or financial covenants as of October 2, 2026.

ACF Credit Agreement

On March 12, 2025, we entered into a credit agreement ("ACF Credit Agreement") with ACF FINCO I LP, which provides a total commitment of $15 million and bears interest at an annual rate of adjusted term SOFR (as defined in the ACF Credit Agreement), subject to a 2.0% floor, plus 4.50%. Further, the ACF Credit Agreement is subject to an annual unused line fee of 0.50%. The ACF Credit Agreement includes certain financial operating covenants, including a minimum liquidity requirement of $5 million. The ACF Credit Agreement matures on the earlier of March 12, 2028 or 90 days prior to the maturity date of the Credit Agreement. On October 2, 2026, the ACF Credit Agreement was amended to replace references to the Ansley Loan Agreement with references to the Sixty-First Commercial Finance Loan Agreement in connection with the entry into the Sixty-First Commercial Loan Agreement and repayment and termination of the Ansley Loan Agreement. As of October 2, 2026, we are not aware of any instances of noncompliance with non-financial or financial covenants.

Sixty-First Commercial Finance Loan Agreement

On October 2, 2026, we, through our wholly-owned subsidiary Shimmick Construction Company, Inc., and Sixty-First Commercial Finance, LLC entered into a Loan and Security Agreement (the "Sixty-First Commercial Loan Agreement") which provides for a borrowing capacity of $14.3 million as evidenced by a promissory note (the "Sixty-First Commercial Promissory Note").

The Sixty-First Commercial Promissory Note has a maturity date of October 2, 2031, and accrues interest at a rate of 9.31% per annum. Upon the occurrence of any default, the lender is entitled to receive interest at a default rate of the lesser of 15.0% per annum and the maximum rate of interest allowable under then applicable law. The lender may also declare the debt and other obligations to be immediately due and payable upon the occurrence of any default, subject to applicable cure periods.

Pursuant to the terms of the Sixty-First Commercial Loan Agreement, we granted a security interest in (a) certain items of equipment, including replacements and additions, described therein (the "Equipment"), (b) all embedded and other software and intellectual property and other intangible rights, relating to the Equipment, (c) any cash and cash-equivalent deposits made by us with lender in connection with the Sixty-First Commercial Promissory Note, (d) all chattel paper, rights under contracts, documents and other rights and general intangibles relating to the sale or transfer of the Equipment or other Collateral (as defined below), (e) all rights relating to any insurance, indemnity, warranty or guaranty with respect to the Equipment or other Collateral, and any proceeds in the form of goods, (f) any and all substitutions, replacements or exchanges for the Equipment or other Collateral, (g) all books and records regarding the foregoing, and (h) any and all proceeds thereof as collateral for the payments under the Sixty-First Commercial Loan Agreement and Sixty-First Commercial Promissory Note ((a) through (h) collectively, the "Collateral"). The Sixty-First Commercial Loan Agreement contains customary affirmative and negative covenants for a transaction of this type. As of October 2, 2026, we are not aware of any instances of noncompliance with non-financial or financial covenants.

Upon the execution of the Sixty-First Commercial Loan Agreement on October 2, 2026, we fully repaid all amounts outstanding under and terminated the Ansley Loan Agreement (as defined below).

Ansley Loan Agreement

On March 31, 2025, we entered into a loan and security agreement (the "Ansley Loan Agreement") with Ansley Park Capital LLC which provides for a borrowing capacity of $15.0 million as evidenced by two promissory notes (each, a "Promissory Note," and together, the "Promissory Notes").

Each Promissory Note had a maturity date of April 1, 2031, and accrued interest at a rate of 12.50% per annum. Pursuant to the terms of the Ansley Loan Agreement, we granted a security interest in (a) certain items of equipment described therein, (b) all leases, rental contracts, chattel paper, accounts, security deposits and general intangibles relating thereto and (c) and any and all proceeds thereof as collateral for the payments under the Ansley Loan Agreement. The Ansley Loan Agreement contained customary affirmative and

negative covenants for a transaction of this type. In connection with the Ansley Loan Agreement, we entered into a separate guaranty agreement (each, a "Guaranty Agreement," and together, the "Guaranty Agreements") in favor of the Ansley Park Capital LLC unconditionally guaranteeing our liabilities and the liabilities of one of our wholly-owned subsidiaries under the Ansley Loan Agreement. The Ansley Loan Agreement was fully repaid and terminated on October 2, 2026 upon execution of the Sixty-First Commercial Finance Loan Agreement.

During the nine months ended October 2, 2026, the Company paid $2 million in cash interest and expensed $3 million in non-cash payment-in-kind interest. The total accrued payment-in-kind interest as of October 2, 2026 was $7 million.

Underwriting Agreement

On May 22, 2026, we entered into an Underwriting Agreement (the "Underwriting Agreement") with Roth Capital Partners, LLC, as the underwriter named therein (the "Underwriter"), in connection with an underwritten public offering of 3,730,000 shares of our common stock, par value $0.01 per share, at a public offering price of $3.50 per share.

Under the terms of the Underwriting Agreement, we granted the Underwriter a 30-day option to purchase up to 559,500 additional shares. In connection with the closing of the offering, the Underwriter exercised its option to purchase all 559,500 additional shares. As a result, we sold a total of 4,289,500 shares in the offering. After the underwriting discount and estimated offering expenses payable by us, we received net proceeds from the offering of approximately $14.0 million. The offering, including the sale of the additional Shares, closed on May 26, 2026.

ATM Agreement

On September 8, 2025, we entered into an At The Market Offering Agreement (the "Sales Agreement") with Roth Capital Partners, LLC (the "Sales Agent"). Under the Sales Agreement, the Sales Agent may, at our discretion, sell up to $7.8 million of shares of our common stock, in "at the market offerings" as defined in Rule 415 under the Securities Act of 1933, as amended. The shares will be sold pursuant to our Registration Statement on Form S-3 (File No. 333-288513), declared effective by the SEC on July 10, 2025, the related prospectus supplement (the "Initial Prospectus Supplement") dated September 8, 2025 filed with the SEC in connection with the offer and sale of the shares, and the related prospectus supplement dated May 22, 2026, filed with the SEC in connection with the offering made pursuant to the Underwriting Agreement (the "Additional Prospectus Supplement," and together with the Initial Prospectus Supplement, the "Prospectus Supplements"), which reduced the amount of our common stock registered under the Prospectus to $5.0 million.

We are not obligated to make any sales of shares under the Sales Agreement, and no assurance can be given that we will sell any shares under the Sales Agreement, or, if we do, as to the price or amount of shares that we will sell, or the dates on which any such sales will take place. We or the Sales Agent, under certain circumstances and upon notice to the other, may suspend the offering of the shares under the Sales Agreement. The offering of the Shares pursuant to the Sales Agreement will terminate upon the sale of shares in an aggregate offering amount equal to $7.8 million, or sooner if either we or the Sales Agent terminates the Sales Agreement. We will pay the Sales Agent a cash commission in an amount up to 3% of the gross proceeds from each sale of Shares sold pursuant to the Sales Agreement and will reimburse the Sales Agent for the documented fees and costs of its legal counsel reasonably incurred in connection with entering into the transactions contemplated by the Sales Agreement in an amount not to exceed $50,000 in the aggregate.

We made certain customary representations, warranties and covenants in the Sales Agreement concerning us and our subsidiaries and the Registration Statement, Prospectus, Prospectus Supplements and other documents and filings relating to the offering of the shares. In addition, we have agreed to indemnify the Sales Agent against certain liabilities, including liabilities under the Securities Act. The shares to be sold under the Sales Agreement, if any, will be issued and sold pursuant to our Registration Statement, and its Prospectus Supplements related thereto.

On September 3, 2026, we completed the sale of 1.1 million shares of our common stock at an offering price of $4.00 per share. After estimated offering expenses payable by us, we received net proceeds from the offering of approximately $4.3 million. Following the offering, the amount of our common stock registered under the Prospectus was reduced to $0.6 million.

Cash Flows Analysis

The following table sets forth our cash flows for the periods indicated:

	Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**
Net cash used in operating activities	$ (14,731)	$ (65,732)
Net cash provided by investing activities	3,629	1,941
Net cash provided by financing activities	23,809	46,921
Net increase (decrease) in cash, cash equivalents and restricted cash	12,707	(16,870)
Cash, cash equivalents and restricted cash, beginning of period	21,859	35,795
Cash, cash equivalents and restricted cash, end of period	$ 34,566	$ 18,925

Operating Activities

During the nine months ended October 2, 2026, net cash used in operating activities was $15 million, compared to net cash used in operating activities of $66 million for the nine months ended October 3, 2025. Cash flows used in operating activities were driven by net loss, adjusted for various non-cash items and changes in contract liabilities, contract assets, accounts payable and accrued expenses balances, accounts receivable and other assets and liabilities as discussed below.

Operating assets and liabilities — The change in operating assets and liabilities varies due to fluctuations and timing in operating activities. The changes in the components of operating assets and liabilities during the nine months ended October 2, 2026 and October 3, 2025 were as follows:

	Nine Months Ended	
(In thousands)	**October 2, 2026**	**October 3, 2025**
Accounts receivable, net	$ 11,964	$ 1,203
Contract assets	(45,150)	(24,430)
Accounts payable	20,638	25,856
Contract liabilities	5,237	(55,166)
Accrued expenses	(3,673)	(3,022)
Other assets and liabilities	(3,851)	(6,414)
Changes in operating assets and liabilities, net	$ (14,835)	$ (61,973)

During the nine months ended October 2, 2026, the decrease in operating assets and liabilities was $15 million, which was primarily driven by increases in contract assets and accounts payable, partially offset by decreases in contract liabilities and accounts receivable. The Company's operating assets and liabilities fluctuations are impacted by the mix of projects in backlog, seasonality, the timing of new awards and related payments for work performed and the contract billings to the customer as projects are completed. Operating assets and liabilities are also impacted at period end by the timing of accounts receivable collections and accounts payable payments for projects.

Investing Activities

For the nine months ended October 2, 2026, net cash provided by investing activities was $4 million, which was primarily driven by proceeds from sale of assets of $5 million, partially offset by purchases of property, plant and equipment of $1 million.

For the nine months ended October 3, 2025, net cash provided by investing activities was $2 million, which was primarily driven by proceeds from the sale of assets of $5 million and return of investment in unconsolidated joint ventures of $3 million, partially offset by purchases of property, plant and equipment of $6 million.

Financing Activities

For the nine months ended October 2, 2026, net cash provided by financing activities was $24 million, which primarily consisted of borrowings from credit agreements of $56 million and net proceeds from underwritten equity and At The Market offerings of $18 million, partially offset by repayments on credit and loan agreements of $50 million.

For the nine months ended October 3, 2025, net cash provided by financing activities was $47 million, which primarily consisted of net borrowings from credit and loan agreements of $49 million, partially offset by $2 million of other, net which is primarily comprised of debt issuance costs incurred for the ACF Credit Agreement and Ansley Loan Agreement entered into during the first quarter of 2025.

Letters of Credit

We obtain standby letters of credit required by our insurance carriers. At October 2, 2026, the total amount of standby letters of credit outstanding was $10 million. The Company did not have any letters of credit as of January 2, 2026.

Contractual Obligations

Contractual obligations of the Company consisted of liabilities associated with remaining lease payments for the remainder of the fiscal year ending January 1, 2027 through the fiscal years ending January 3, 2030 of approximately $3 million, $5 million, $4 million, $3 million, $2 million, respectively, and approximately $1 million in the aggregate thereafter based on balances outstanding as of October 2, 2026.

Backlog

Our backlog consists of the remaining unearned revenue on awarded contracts, including our pro-rata share of work to be performed by unconsolidated joint ventures, less the joint venture partners' pro-rata share of work to be performed by consolidated joint ventures. We include in backlog estimates of the amount of consideration to be received, including bonuses, awards, incentive fees, fixed-price awards, claims, unpriced change orders, penalties, minimum customer commitments on cost plus arrangements, liquidated damages and certain time and material arrangements in which the estimated value is firm or can be estimated with a reasonable amount of certainty in both timing and amounts. As construction on our contracts progresses, we increase or decrease backlog to take account of changes in estimated quantities under fixed-price contracts, as well as to reflect changed conditions, change orders and other variations from initially anticipated contract revenue and costs, including completion penalties and bonuses. Substantially all of the contracts in our backlog may be canceled or modified at the election of the customer.

As of October 2, 2026, we had a backlog of projects of $907 million.

The following tables present the Company's percentage of backlog by customer type, contract type and backlog recognized:

	As of October 2, 2026
Backlog by customer type:	
State and local agencies	68%
Federal agencies	12%
Private owners	20%
Total backlog	100%

	As of October 2, 2026
Backlog by contract type:	
Fixed-price	82%
Cost reimbursable	18%
Total backlog	100%

	As of October 2, 2026
Estimated backlog recognized:	
0 to 24 months	79%
25 to 36 months	15%
Beyond 36 months	6%
Total backlog	100%

Off-Balance Sheet Arrangements

In our joint ventures, the liability of each partner is usually joint and several. This means that each joint venture partner may become liable for the entire risk of performance guarantees provided by each partner to the customer. Typically each joint venture partner indemnifies the other partners for any liabilities incurred in excess of the liabilities the other party is obligated to bear under the respective joint venture agreement. We are unable to estimate the maximum potential amount of future payments that we could be required to make under outstanding performance guarantees related to joint venture projects due to a number of factors, including but not limited to, the nature and extent of any contractual defaults by our joint venture partners, resource availability, potential performance delays caused by the defaults, the location of the projects, and the terms of the related contracts.

Critical Accounting Estimates

The discussion of our financial condition and results of operations is based upon our condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We evaluate our estimates and assumptions on an ongoing basis. The results of our analysis form the basis for making assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and the impact of such differences may be material to our condensed consolidated financial statements.

Our critical accounting estimates are described in more detail in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Form 10-K. There have been no other significant changes in our critical accounting estimates from those reported in our Form 10-K and we believe that the related judgments and assessments have been consistently applied and produce financial information that fairly depicts the financial condition, results of operations, and cash flows for all periods presented.

Emerging Growth Company and Smaller Reporting Company

We are an "emerging growth company," as defined in the JOBS Act. For so long as we are an emerging growth company, we will, among other things:

- not be required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act,
- not be required to hold a nonbinding advisory stockholder vote on executive compensation pursuant to Section 14A(a) of the Exchange Act,
- not be required to seek stockholder approval of any golden parachute payments not previously approved pursuant to Section 14A(b) of the Exchange Act,
- be exempt from any rule adopted by the Public Company Accounting Oversight Board, requiring mandatory audit firm rotation and identification of critical audit matters,
- be subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and
- be subject to reduced obligations with respect to financial data, including presenting only two years of audited financial statements and only two years of selected financial data in the Form 10-K.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can use the extended transition period provided in Section 7(a)(2)(B) of the Securities Act, for complying with new or revised accounting standards. This permits an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

We will continue to qualify as an emerging growth company until the earliest of:

- the last day of our fiscal year following the fifth anniversary of the date of our initial public offering,
- the last day of our fiscal year in which we have annual gross revenue of $1.235 billion or more,

- the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt, and
- the date on which we are deemed to be a "large accelerated filer," which will occur at such time as we (1) have an aggregate worldwide market value of common equity securities held by non-affiliates of $700.0 million or more as of the last business day of our most recently completed second fiscal quarter, (2) have been required to file annual and quarterly reports under the Exchange Act for a period of at least 12 months and (3) have filed at least one annual report pursuant to the Exchange Act.

We are also a smaller reporting company as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700 million measured on the last business day of our second fiscal quarter.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable as we are a "smaller reporting company," as defined in the Exchange Act.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). In conducting our evaluation, management used the updated framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control–Integrated Framework (2013). Disclosure controls and procedures are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Based on that evaluation, management concluded that, as of October 2, 2026, our disclosure controls and procedures were not effective due to the material weaknesses in internal control over financial reporting described below.

As discussed in Item 9A of our Form 10-K, as of January 2, 2026, we identified material weaknesses in our internal control over financial reporting related to the operating effectiveness of controls associated with revenue and journal entries and the design and operating effectiveness of controls associated with income tax accounting. Specifically, we did not maintain effective internal controls over the preparation, review, and approval of journal entries to verify appropriate authorization. In addition, we did not maintain effective controls over the calculation, review and recording of income tax accounts, including the income tax provision, deferred tax assets and liabilities, and related disclosures. We also identified a deficiency in controls over the revenue review of estimates at completion, as there was insufficient evidence to support that reviews were performed for amounts exceeding established thresholds. Finally, we continue to remediate the monitoring aspect of our internal controls with respect to having an established, consistently executed plan to test all relevant control activities for operating effectiveness on a regular basis such that there is sufficient evidence that all controls are operating effectively as of year end.

Management performed additional analyses and other procedures to ensure that our condensed consolidated financial statements were prepared in accordance with U.S. GAAP. Accordingly, management believes that the condensed consolidated financial statements included in this Form 10-Q fairly present, in all material respects, our financial position, results of operations, and cash flows as of and for the periods presented in this Form 10-Q, in accordance with U.S. GAAP.

Management's Plan to Remediate the Identified Material Weaknesses

We have implemented and are in the process of executing a remediation plan which includes consistently documenting the support related to the revenue project estimate at completion modules, timely executing a formal review process to ensure journal entries are

reviewed and approved in a timely manner and enhancing the oversight and review of income tax-related accounting calculations to validate completion and accuracy.

Changes in Internal Control over Financial Reporting

With the exception of the implementation and enhancement of controls in connection with our remediation activities described above, there were no changes to our internal control over financial reporting during the quarter ended October 2, 2026 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required with respect to this Part II, Item 1 can be found under Item 1., Financial Statements, Note 11 - Commitments and Contingencies, to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in the Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

None

Item 5. Other Information

During the fiscal quarter ended October 2, 2026, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.

Item 6. Exhibits

Exhibit Number	Description
10.1	Loan and Security Agreement, dated October 2, 2026, by and between Sixty-First Commercial Finance, LLC and Shimmick Construction Company, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 8, 2026).
10.2	Form of October 2026 Promissory Note (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 8, 2026).
10.3	Form of October 2026 Guaranty Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on October 8, 2026).
10.4	Amendment No. 11 to Credit, Security and Guaranty Agreement, dated November October 2, 2026, by and among Shimmick Construction Company, Inc., Rust Constructors Inc., The Leasing Corporation, Shimmick Corporation, the other guarantors party thereto, the agent thereunder, and the lenders from time to time party thereto
10.4*	Amendment No. 12 to Credit, Security and Guaranty Agreement, dated November 4, 2026, by and among Shimmick Construction Company, Inc., Rust Constructors Inc., The Leasing Corporation, Shimmick Corporation, the other guarantors party thereto, the agent thereunder, and the lenders from time to time party thereto
10.5	Amendment No. 1 to Credit, Security and Guaranty Agreement, dated October 2, 2026, by and among Shimmick Corporation, Shimmick Construction Company, Inc., Rust Constructors Inc., The Leasing Corporation, ACF FINCO I LP and other parties thereto (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on October 8, 2026).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

Furnished herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Shimmick Corporation

Date: November 12, 2026

By: /s/ Todd W. Yoder
Todd W. Yoder
Executive Vice President, Chief Financial Officer and Treasurer

AMENDMENT NO. 12 TO CREDIT, SECURITY AND GUARANTY AGREEMENT

This AMENDMENT NO. 12 TO CREDIT, SECURITY AND GUARANTY AGREEMENT (this "**Agreement**") is made as of this 4th day of November, 2026 (the "**Twelfth Amendment Effective Date**"), by and among **SHIMMICK CONSTRUCTION COMPANY, INC.**, a California corporation ("**Shimmick**"), **RUST CONSTRUCTORS INC.**, a Delaware corporation, **THE LEASING CORPORATION**, a Nevada corporation, **AXIA ELECTRIC LLC**, a Delaware limited liability company (collectively, the "**Borrowers**" and each individually, a "**Borrower**"), **SHIMMICK CORPORATION** (f/k/a SCCI National Holdings, Inc.), a Delaware corporation ("**Holdings**"), **ALTER DOMUS (US) LLC**, a Delaware limited liability company, as Agent, and the financial institutions or other entities parties hereto, each as a Lender.

RECITALS

A. Agent, Lenders, Borrowers and Holdings have entered into that certain Credit, Security and Guaranty Agreement, dated as of May 20, 2024, as amended by that certain Amendment No. 1 to Credit, Security and Guaranty Agreement, dated as of September 25, 2024, Amendment No. 2 to Credit, Security and Guaranty Agreement, dated as of January 30, 2025, Amendment No. 3 and Limited Waiver to Credit, Security and Guaranty Agreement, dated as of March 12, 2025, Amendment No. 4 to Credit, Security and Guaranty Agreement, dated as of March 31, 2025, Amendment No. 5 to Credit Security and Guaranty Agreement, dated as of May 12, 2025, Amendment No. 6 to Credit, Security and Guaranty Agreement, dated as of August 8, 2025, Amendment No. 7 to Credit, Security and Guaranty Agreement, dated as of October 31, 2025, Amendment No. 8 to Credit, Security and Guaranty Agreement, dated as of March 9, 2026, Amendment No. 9 to Credit, Security and Guaranty Agreement, dated as of May 8, 2026, Amendment No. 10 to Credit, Security and Guaranty Agreement, dated as of July 29, 2026, Amendment No. 11 to Credit, Security and Guaranty Agreement, dated as of October 2, 2026 and as supplemented by that certain Joinder No. 1 to Credit, Security and Guaranty Agreement, dated as of July 31, 2025 (as amended, the "**Existing Credit Agreement**" and as amended hereby and as it may be further amended, modified, supplemented and restated from time to time, the "**Credit Agreement**"), pursuant to which the Lenders have agreed to make certain advances of money and to extend certain financial accommodations to Borrowers in the amounts and manner set forth in the Credit Agreement.

B. Borrowers and Holdings have requested, and Agent and all Lenders have agreed, to amend certain provisions of the Existing Credit Agreement, in each case, in accordance with the terms and subject to the conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the terms and conditions set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Agent, Lenders, Borrowers and Holdings hereby agree as follows:

1. **Recitals**. This Agreement shall constitute a Financing Document and the Recitals and each reference to the Credit Agreement, unless otherwise expressly noted, will be deemed to reference the Credit Agreement as amended hereby. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement (including those capitalized terms used in the Recitals hereto).

2. **Amendments to Existing Credit Agreement**. Subject to the terms and conditions of this Amendment, including, without limitation, the satisfaction of the conditions set forth in Section 4 hereof, the Existing Credit Agreement is hereby amended as follows:

(a) Section 1.1 of the Existing Credit Agreement is hereby amended to add the following definition in the appropriate alphabetical order therein:

"**Twelfth Amendment**" means that certain Amendment No. 12 to Credit, Security and Guaranty Agreement, dated as of November 4, 2026, by and among the Borrowers, Holdings, Agent and the Lenders.

(b) Section 1.1 of the Existing Credit Agreement is hereby amended by amending and restating the definition of "Financing Documents" in its entirety as follows:

"**Financing Documents**" means this Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Sixth Amendment, the Seventh Amendment, the Eighth Amendment, the Ninth Amendment, the Tenth Amendment, the Eleventh Amendment, the Twelfth Amendment, each Intercreditor Agreement, any Notes, the Agent Fee Letter, the Security Documents, each Subordination Agreement and any other subordination or intercreditor agreement pursuant to which any Debt and/or any Liens securing such Debt is subordinated to all or any portion of the Obligations and all other documents, instruments and agreements related to the Obligations and heretofore executed, executed concurrently herewith or executed at any time and from time to time hereafter, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

(c) Section 6.1 of the Existing Credit Agreement is hereby amended by replacing the reference to "October 2, 2027" therein with "December 31, 2027".

(d) Section 7.2(g) of the Existing Credit agreement is hereby amended by replacing the reference to "October 2, 2027" therein with "December 31, 2027".

3. **Representations and Warranties; Reaffirmation of Security Interest; No Liens**.

(a) Each Credit Party hereby confirms that all of the representations and warranties set forth in the Credit Agreement are true and correct in all material respects (without duplication of any materiality qualifier in the text of such representation or warranty) with respect to such Credit Party as of the date hereof except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date. Nothing herein is intended to impair or limit the validity, priority or extent of Agent's security interests in and Liens on the Collateral.

(b) Each Credit Party acknowledges and agrees that the Credit Agreement, the other Financing Documents and this Agreement constitute the legal, valid and binding obligation of such Credit Party, and are enforceable against such Credit Party in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles.

(c) Each Credit Party hereby confirms that as of the Twelfth Amendment Effective Date, no Liens exist other than Permitted Liens.

4. **Conditions to Effectiveness.** This Agreement shall become effective as of the date on which each of the following conditions has been satisfied, as determined by Agent and the Lenders in their sole discretion:

(a) Agent and the Lenders shall have received a copy of this Agreement, dated as of even date herewith, duly-executed by each Credit Party, Agent and the Lenders.

(b) all representations and warranties of Credit Party contained herein shall be true and correct in all material respects (without duplication of any materiality qualifier in the text of such representation or warranty) as of the date hereof except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date (and such parties' delivery of their respective signatures hereto shall be deemed to be its certification thereof);

(c) prior to and after giving effect to the agreements set forth herein, no Default or Event of Default shall exist under any of the Financing Documents;

(d) Credit Parties shall have delivered such other documents, information, certificates, records, permits, and filings as the Agent and the Lenders may reasonably request;

(e) the Borrowers shall have paid the Agent's outstanding Admin Fee (as defined in the Agent Fee Letter); and

(f) payment of all fees, expenses and other amounts due and payable under the Credit Agreement, including all reasonable and documented legal fees and expenses of Agent and Lenders.

5. **Costs and Fees**. Credit Parties shall be responsible for the payment of all reasonable, documented and invoiced out-of-pocket costs and fees of counsel and other advisors of the Lenders incurred in connection with the preparation, negotiation, execution and delivery of this Agreement and any related Financing Documents.

6. **Release.**

(a) In consideration of, among other things, Agent's and the Lenders' execution and delivery of this Agreement, each Borrower and each other Credit Party, on behalf of itself and its agents, representatives, officers, directors, advisors, employees, subsidiaries, affiliates, successors and assigns (collectively, "**Releasors**"), hereby forever agrees and covenants not to sue or prosecute against any Releasee (as hereinafter defined) and hereby forever waives, releases and discharges, to the fullest extent permitted by law, each Releasee from any and all claims, whether known or unknown, (including, without limitation, crossclaims, counterclaims, rights of set-off and recoupment), actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and consequential damages, demands, agreements, bonds, bills, specialties, covenants, controversies, variances, trespasses, judgments, executions, costs, expenses or claims whatsoever, that such Releasor now has or hereafter may have, of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, whether arising at law or in equity (collectively, the "**Claims**"), against any or all of the Agent and Lenders in any capacity and their respective affiliates, subsidiaries, shareholders and "controlling persons" (within the meaning of the federal securities laws), and their respective successors and assigns and each and all of the officers, directors, employees, agents, attorneys, advisors and other representatives of each of the foregoing (collectively, the "**Releasees**"), based in whole or in part on facts, whether or not now known that relate to, arise out of or otherwise are in connection with: (i) any or all of the Financing Documents, including this Agreement, the AECOM L/C (as defined in the Ares First Lien Guaranty) or transactions contemplated thereby or any actions or omissions in connection therewith, and (ii) any aspect of the dealings or relationships between or among Borrowers and the other Credit Parties, on the one hand, and any or all of the Agent and Lenders, on the other hand, relating to any or all of the documents, transactions, actions or omissions referenced in clause (i) hereof. The receipt by a Borrower or any other Credit Party of any

Loans or financial accommodations made by any Lender after the date hereof shall constitute a ratification, adoption, and confirmation by such party of the foregoing general release of all Claims against the Releasees that are based in whole or in part on facts, whether or not now known or unknown, existing on or prior to the date of receipt of any Loans or other financial accommodations. In entering into this Agreement, Borrowers and each other Credit Party consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Releasees and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity thereof. The provisions of this Section shall survive the termination of this Agreement, the Credit Agreement, the other Financing Documents and payment in full of the Obligations.

(b) Each Borrower and each other Credit Party hereby agrees that it shall be, jointly and severally, obligated to indemnify and hold the Releasees harmless with respect to any and all liabilities, obligations, losses, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever incurred by the Releasees, or any of them, whether direct, indirect or consequential, as a result of or arising from or relating to any proceeding by or on behalf of any Person, including, without limitation, the respective officers, directors, agents, trustees, creditors, partners or shareholders of any Borrower, any other Credit Party, or any of their respective Subsidiaries, whether threatened or initiated, in respect of any claim for legal or equitable remedy under any statue, regulation or common law principle arising from or in connection with the negotiation, preparation, execution, delivery, performance, administration and enforcement of the Credit Agreement, the other Financing Documents, this Agreement or any other document executed and/or delivered in connection herewith or therewith. If and to the extent that the foregoing undertaking may be unenforceable for any reason, each Borrower and other Credit Party agrees to make the maximum contribution to the payment and satisfaction thereof that is permissible under applicable law. The foregoing indemnity shall survive the termination of this Agreement, the Credit Agreement, the other Financing Documents and the payment in full of the Obligations.

(c) Each Borrower and each other Credit Party, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably, covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) any Releasee on the basis of any Claim released, remised and discharged by Borrower or any other Credit Party pursuant to Section 6(a) hereof. If a Borrower, any other Credit Party or any of their successors, assigns or other legal representatives violates the foregoing covenant, Borrowers and the other Credit Parties, each for itself and its successors, assigns and legal representatives, agrees to pay, in addition to such other damages as any Releasee may sustain as a result of such violation, all attorneys' fees and costs incurred by any Releasee as a result of such violation.

7. **No Waiver or Novation.** The execution, delivery and effectiveness of this Agreement shall not, except as expressly provided in this Agreement, operate as a waiver of any right, power or remedy of Agent, nor constitute a waiver of any provision of the Credit Agreement, the Financing Documents or any other documents, instruments and agreements executed or delivered in connection with any of the foregoing. Nothing herein is intended or shall be construed as a waiver of any existing Defaults or Events of Default under the Credit Agreement or the other Financing Documents or any of Agent's rights and remedies in respect of such Defaults or Events of Default. This Agreement (together with any other document executed in connection herewith) is not intended to be, nor shall it be construed as, a novation of the Credit Agreement.

8. **Affirmation**. Except as specifically amended pursuant to the terms hereof, each Credit Party hereby acknowledges and agrees that the Credit Agreement and all other Financing Documents (and all covenants, terms, conditions and agreements therein) shall remain in full force and effect, and are hereby ratified and confirmed in all respects by such Credit Party. Each Credit Party covenants and agrees

to comply with all of the terms, covenants and conditions of the Credit Agreement and the Financing Documents, notwithstanding any prior course of conduct, waivers, releases or other actions or inactions on Agent's or any Lender's part which might otherwise constitute or be construed as a waiver of or amendment to such terms, covenants and conditions.

9. **Miscellaneous**.

(a) Reference to the Effect on the Credit Agreement. Upon the effectiveness of this Agreement, each reference in the Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of similar import shall mean and be a reference to the Credit Agreement, as amended by this Agreement. Except as specifically amended above, the Credit Agreement, and all other Financing Documents (and all covenants, terms, conditions and agreements therein), shall remain in full force and effect, and are hereby ratified and confirmed in all respects by each Credit Party.

(b) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(c) Governing Law. THIS AGREEMENT AND THE LOANS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK EXCEPT TO THE EXTENT THAT UNITED STATES FEDERAL LAW PERMITS ANY LENDER TO CONTRACT FOR, CHARGE, RECEIVE, RESERVE OR TAKE INTEREST AT THE RATE ALLOWED BY THE LAWS OF THE STATE WHERE SUCH LENDER IS LOCATED.

(d) WAIVER OF JURY TRIAL. (i) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER FINANCING DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN; (ii) EACH CREDIT PARTY HEREBY IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES; *PROVIDED* THAT NOTHING CONTAINED IN THIS SECTION 9(d) SHALL LIMIT THE CREDIT PARTIES' INDEMNIFICATION OBLIGATIONS TO THE EXTENT SET FORTH IN SECTION 11.6 OF THE CREDIT AGREEMENT TO THE EXTENT SUCH SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARE INCLUDED IN ANY THIRD PARTY CLAIM IN CONNECTION WITH WHICH SUCH INDEMNITEE IS OTHERWISE ENTITLED TO INDEMNIFICATION HEREUNDER; (iii) EACH PARTY HEREBY CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OR AGENT OR COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND
(iv) EACH PARTY HEREBY ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE FINANCING DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION 9(d).

(e) Incorporation of Credit Agreement Provisions. The provisions contained in Section 11.6 (*Indemnification*), Section 13.8(b) (*Submission to Jurisdiction*) and Section 13.19 (*Surety Rights*) of

the Credit Agreement are incorporated herein by reference to the same extent as if reproduced herein in their entirety.

(f) Headings. Headings and captions used in this Agreement (including the Exhibits, Schedules and Annexes hereto, if any) are included for convenience of reference only and shall not be given any substantive effect.

(g) Counterparts; Integration. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signatures by facsimile or by electronic mail delivery of an electronic version of any executed signature page shall bind the parties hereto. In furtherance of the foregoing, the words "execution", "signed", "signature", "delivery" and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby or thereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. As used herein, "**Electronic Signature**" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or other record. This Agreement and the other Financing Documents constitute the entire agreement and understanding among the parties hereto and supersede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

(h) Severability. In case any provision of or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(i) Time of the Essence. Time is of the essence in Borrower's and each other Credit Party's performance under this Agreement and all other Financing Documents.

(j) Successors/Assigns. This Agreement shall be binding upon and inure to the benefit of Credit Parties and Agent and each Lender and their respective successors and permitted assigns.

(k) Agent. Each of the undersigned Lenders, by their execution of this Agreement, directs the Agent to execute this Agreement. In doing so, the Agent shall be entitled to all rights, benefits and protections set forth in the Credit Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

IN WITNESS WHEREOF, intending to be legally bound, each of the parties have caused this Agreement to be executed the day and year first above mentioned.

AGENT: ALTER DOMUS (US) LLC,

as Agent

By: ____ Name: David Wright
Title: Counsel

LENDERS: AECOM,

as Lender

By: ____ Name: Morgan Jones
Title: Vice President, Treasury

BERKSHIRE HATHAWAY SPECIALTY INSURANCE COMPANY,

as Lender

By: ____ Name: Jeffrey Jubera
Title: VP - Global Surety Claims

LENDERS: AECOM,

as Lender

By: ____ Name: Morgan Jones
Title: Vice President, Treasury

BERKSHIRE HATHAWAY SPECIALTY INSURANCE COMPANY,

as Lender

By: ____ Name: Jeffrey Jubera
Title: VP - Global Surety Claims

BORROWERS: SHIMMICK CONSTRUCTION COMPANY, INC.

By: _____
Name: Todd W. Yoder
Title: Executive Vice President and Chief Financial Officer

RUST CONSTRUCTORS INC.

By: _____
Name: Dylan Ellsworth
Title: General Counsel and Secretary

THE LEASING CORPORATION

By: _____
Name: Todd W. Yoder
Title: Executive Vice President and Chief Financial Officer

AXIA ELECTRIC LLC

By: _____
Name: Todd W. Yoder
Title: Chief Financial Officer

GUARANTORS: SHIMMICK CORPORATION

By: _____
Name: Todd W. Yoder
Title: Executive Vice President and Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ural Yal, certify that:

1. I have reviewed this Form 10-Q of Shimmick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) [omitted]

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

By: /s/ Ural Yal
Ural Yal
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Todd W. Yoder, certify that:

1. I have reviewed this Form 10-Q of Shimmick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) [omitted]

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

By: /s/ Todd W. Yoder
Todd W. Yoder
Executive Vice President, Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Shimmick Corporation (the "Company") on Form 10-Q for the period ended October 2, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 12, 2026

By: /s/ Ural Yal
Ural Yal
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Shimmick Corporation (the "Company") on Form 10-Q for the period ended October 2, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 12, 2026

By: /s/ Todd W. Yoder
Todd W. Yoder
Executive Vice President, Chief Financial Officer and Treasurer