



## INTERIM REPORT

16-week period ended July 5, 2025

3<sup>rd</sup> Quarter 2025

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### HIGHLIGHTS

#### 2025 THIRD QUARTER

- Sales of \$6,871.0 million, up 3.3%
  - Food same-store sales<sup>(1)</sup> up 1.9%
  - Pharmacy same-store sales<sup>(1)</sup> up 5.5%
  - Net earnings of \$323.0 million, up 9.0% and adjusted net earnings<sup>(1)</sup> of \$331.8 million, up 8.8%
  - Fully diluted net earnings per share of \$1.48, up 13.0% and adjusted fully diluted net earnings per share<sup>(1)</sup> of \$1.52, up 12.6%
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<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

<sup>(2)</sup> See section on "Forward-looking Information"



## REPORT TO SHAREHOLDERS

Dear Shareholders,

I am pleased to present our interim report for the third quarter of Fiscal 2025 ended July 5, 2025.

Sales in the third quarter of Fiscal 2025 ended on July 5, 2025 were \$6,871.0 million, up 3.3% versus the third quarter of the prior year which ended on July 6, 2024, driven by higher sales in our retail network.

Food same-store sales<sup>(1)</sup> were up 1.9% in the third quarter of Fiscal 2025 (2024 — 2.4%). Online food sales<sup>(1)</sup> were up 14.4% versus last year (2024 — 34.3%). Our food basket inflation was generally in line with the reported CPI for food purchased from stores. Pharmacy same-store sales<sup>(1)</sup> were up 5.5% (2024 — 5.2%), with a 6.2% increase in prescription drugs<sup>(1)</sup> and a 4.0% increase in front-store sales<sup>(1)</sup>, primarily driven by over-the-counter products, cosmetics, and health and beauty.

Third quarter net earnings were \$323.0 million in Fiscal 2025 compared with \$296.2 million in 2024 and fully diluted net earnings per share were \$1.48 compared with \$1.31 in 2024, up 9.0% and 13.0% respectively. Adjusted net earnings<sup>(1)</sup> for the third quarter of Fiscal 2025 totalled \$331.8 million compared with \$305.0 million for the corresponding quarter of 2024, and adjusted fully diluted net earnings per share<sup>(1)</sup> for third quarter of Fiscal 2025 were \$1.52, versus \$1.35 in 2024, up 8.8% and 12.6% respectively. The third quarters of 2025 and 2024 included an adjustment for the after-tax amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition.

On August 12, 2025, the Board of Directors declared a quarterly dividend of \$0.37 per share, the same amount declared last quarter.

We are pleased with our results in the third quarter marked by solid comparable sales growth in food and pharmacy, and good cost control. We successfully opened 5 new food stores in the quarter, a pace that will continue<sup>(2)</sup> in the fourth quarter, on track with our plan to accelerate the development of our growing discount banners. We are confident that our sustained investments in our retail network and supply chain combined with strong execution will continue to fuel our growth and create long-term shareholder value<sup>(2)</sup>.

Eric La Flèche  
President and Chief Executive Officer

August 13, 2025

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<sup>(2)</sup> See section on "Forward-looking Information"



## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) sets out the financial position and consolidated results of METRO INC. (the Corporation) on July 5, 2025 and for the 16 and 40-week periods then ended. It should be read in conjunction with the unaudited interim condensed consolidated financial statements and accompanying notes in this interim report.

The unaudited interim condensed consolidated financial statements for the 16 and 40-week periods ended July 5, 2025 have been prepared by management in accordance with IAS 34 *Interim Financial Reporting*. They should be read in conjunction with the audited annual consolidated financial statements and accompanying notes and the MD&A presented in the Corporation's 2024 Annual Report. Unless otherwise stated, the interim report is based on information as at August 1, 2025.

Additional information, including the Certification of Interim Filings for the quarter ended July 5, 2025 signed by the President and Chief Executive Officer and the Executive Vice President, Chief Financial Officer and Treasurer, will also be available on the SEDAR website at: [www.sedarplus.ca](http://www.sedarplus.ca).

## OPERATING RESULTS

### SALES

Sales in the third quarter of Fiscal 2025 ended on July 5, 2025 were \$6,871.0 million, up 3.3% versus the third quarter of the prior year which ended on July 6, 2024, driven by higher sales in our retail network.

Food same-store sales<sup>(1)</sup> were up 1.9% in the third quarter of Fiscal 2025 (2024 — 2.4%). Online food sales<sup>(1)</sup> were up 14.4% versus last year (2024 — 34.3%). Our food basket inflation was generally in line with the reported CPI for food purchased from stores. Pharmacy same-store sales<sup>(1)</sup> were up 5.5% (2024 — 5.2%), with a 6.2% increase in prescription drugs<sup>(1)</sup> and a 4.0% increase in front-store sales<sup>(1)</sup>, primarily driven by over-the-counter products, cosmetics, and health and beauty.

Sales in the first 40 weeks of Fiscal 2025 totalled \$16,898.0 million, up 3.8% compared to \$16,281.5 million for the corresponding period of 2024.

### OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION AND IMPAIRMENTS OF ASSETS

This earnings measurement excludes financial costs, taxes, depreciation and amortization and impairments of assets.

Operating income before depreciation and amortization and impairments of assets for the third quarter of Fiscal 2025 totalled \$655.7 million, or 9.5% of sales, an increase of 5.7% versus the corresponding quarter of Fiscal 2024. Operating income before depreciation and amortization and impairments of assets for the first 40 weeks of Fiscal 2025 totalled \$1,598.2 million, or 9.5% of sales, up 4.6% versus the corresponding period of 2024. The first 40 weeks of Fiscal 2024 benefited from a gain on sale of assets of \$6.7 million.

Gross margin<sup>(1)</sup> for the third quarter and the first 40 weeks of Fiscal 2025 was 19.8% versus 19.6% and 19.7% for the corresponding periods of 2024. The margin improvement in the quarter is partly attributable to productivity gains at our food distribution centers and a reduction in shrink.

Operating expenses as a percentage of sales for the third quarter of Fiscal 2025 were 10.2%, the same rate as in the corresponding quarter of 2024. For the first 40 weeks of Fiscal 2025, operating expenses as a percentage of sales were 10.4% versus 10.3% for the corresponding period of 2024. The increase in operating expenses for the 40-week period ended on July 5, 2025 is mainly due to the launch of the Moi Rewards program in Ontario in the first quarter of 2025, fees related to higher online partnership sales and the recording of professional fees regarding the resolution of a tax position related to prior years.

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## DEPRECIATION AND AMORTIZATION

Total depreciation and amortization expense for the third quarter of Fiscal 2025 was \$184.9 million versus \$174.0 million for the corresponding quarter of 2024. For the first 40 weeks of Fiscal 2025, total depreciation and amortization expense was \$454.6 million versus \$434.6 million for the corresponding period of 2024. The increase in depreciation and amortization expense is mainly due to the timing of retail investments and the commissioning of investments in our supply chain, including some automation technology in the Pharmacy division and the final phase of our fresh distribution centre in Toronto last summer.

## IMPAIRMENTS OF ASSETS

During the second quarter of Fiscal 2024, the Corporation recorded \$20.8 million of impairments of assets resulting from the decision to have Metro stores in Ontario withdraw from the Air Miles® loyalty program in the summer of 2024. This impairment represents the entire carrying value of the loyalty program asset.

## NET FINANCIAL COSTS

Net financial costs for the third quarter of Fiscal 2025 were \$45.3 million compared with \$46.6 million for the corresponding quarter of 2024. For the first 40 weeks of Fiscal 2025, net financial costs were \$109.4 million compared with \$113.1 million for the corresponding period of 2024. The decrease in financial costs is mainly due to lower interest expense on net debt partly offset by lower capitalized interest.

## INCOME TAXES

The income tax expense of \$102.5 million for the third quarter of Fiscal 2025 represented an effective tax rate of 24.1% compared with an income tax expense of \$103.4 million and an effective tax rate of 25.9% for the third quarter of Fiscal 2024. The decrease in the effective tax rate in 2025 is mainly attributable to a provincial tax holiday related to the commissioning of our new automated distribution center for fresh and frozen products in Terrebonne.

The 40-week period income tax expense of \$231.7 million for Fiscal 2025 and \$247.1 million for Fiscal 2024 represented effective tax rates of 22.4% and 25.8% respectively. The decrease in the effective tax rate in 2025 is mainly attributable to a \$20.6 million income tax adjustment in respect of prior years and a provincial tax holiday related to the commissioning of our new automated distribution center for fresh and frozen products in Terrebonne. The total tax holiday represents approximately \$66 million and we estimate it will be recognized over a period of 3 years<sup>(2)</sup>.

## NET EARNINGS AND ADJUSTED NET EARNINGS<sup>(1)</sup>

Net earnings for the third quarter of Fiscal 2025 were \$323.0 million compared with \$296.2 million for the corresponding quarter of 2024, while fully diluted net earnings per share were \$1.48 compared with \$1.31 in 2024, up 9.0% and 13.0% respectively. Excluding the specific item shown in the table below, adjusted net earnings<sup>(1)</sup> for the third quarter of Fiscal 2025 totalled \$331.8 million compared with \$305.0 million for the corresponding quarter of 2024, and adjusted fully diluted net earnings per share<sup>(1)</sup> for third quarter of Fiscal 2025 were \$1.52, versus \$1.35 in 2024, up 8.8% and 12.6% respectively.

Net earnings for the first 40 weeks of Fiscal 2025 were \$802.5 million compared with \$711.8 million for the corresponding period of 2024, while fully diluted net earnings per share were \$3.63 compared with \$3.13 in 2024, up 12.7% and 16.0% respectively. Excluding the specific items shown in the table below, adjusted net earnings<sup>(1)</sup> for the first 40 weeks of Fiscal 2025 totalled \$803.8 million compared with \$746.4 million for the corresponding period of 2024, and adjusted fully diluted net earnings per share<sup>(1)</sup> amounted to \$3.64 versus \$3.28, up 7.7% and 11.0% respectively.

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<sup>(2)</sup> See section on "Forward-looking Information"

**Net earnings and fully diluted net earnings per share (EPS) adjustments<sup>(1)</sup>**

	16 weeks / Fiscal Year					
	2025		2024		Change (%)	
	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Per financial statements	<b>323.0</b>	<b>1.48</b>	296.2	1.31	9.0	13.0
Amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition, net of taxes of \$3.1	<b>8.8</b>		8.8			
<b>Adjusted measures<sup>(1)</sup></b>	<b>331.8</b>	<b>1.52</b>	305.0	1.35	8.8	12.6

	40 weeks / Fiscal Year					
	2025		2024		Change (%)	
	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings (Millions of dollars)	Fully diluted EPS (Dollars)	Net earnings	Fully diluted EPS
Per financial statements	<b>802.5</b>	<b>3.63</b>	711.8	3.13	12.7	16.0
Loss on impairment of a loyalty program, net of taxes of \$2.7	—		18.1			
Gain on disposal of an investment in an associate, net of taxes of \$1.6	—		(5.4)			
Amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition, net of taxes of \$7.8	<b>21.9</b>		21.9			
Favorable resolution of a tax position in respect of prior years	<b>(20.6)</b>		—			
<b>Adjusted measures<sup>(1)</sup></b>	<b>803.8</b>	<b>3.64</b>	746.4	3.28	7.7	11.0

<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

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## QUARTERLY HIGHLIGHTS

<i>(Millions of dollars, unless otherwise indicated)</i>	2025	2024	2023	Change (%)
<b>Sales</b>				
Q3 <sup>(4)</sup>	<b>6,871.0</b>	6,651.8	—	3.3
Q2 <sup>(5)</sup>	<b>4,909.9</b>	4,655.5	—	5.5
Q1 <sup>(5)</sup>	<b>5,117.1</b>	4,974.2	—	2.9
Q4 <sup>(6)</sup>	—	4,938.4	5,071.7	(2.6)
<b>Net earnings</b>				
Q3 <sup>(4)</sup>	<b>323.0</b>	296.2	—	9.0
Q2 <sup>(5)</sup>	<b>220.0</b>	187.1	—	17.6
Q1 <sup>(5)</sup>	<b>259.5</b>	228.5	—	13.6
Q4 <sup>(6)</sup>	—	219.9	222.2	(1.0)
<b>Adjusted net earnings<sup>(1)</sup></b>				
Q3 <sup>(4)</sup>	<b>331.8</b>	305.0	—	8.8
Q2 <sup>(5)</sup>	<b>226.6</b>	206.4	—	9.8
Q1 <sup>(5)</sup>	<b>245.4</b>	235.0	—	4.4
Q4 <sup>(6)</sup>	—	226.5	228.8	(1.0)
<b>Fully diluted net earnings per share (Dollars)</b>				
Q3 <sup>(4)</sup>	<b>1.48</b>	1.31	—	13.0
Q2 <sup>(5)</sup>	<b>0.99</b>	0.83	—	19.3
Q1 <sup>(5)</sup>	<b>1.16</b>	0.99	—	17.2
Q4 <sup>(6)</sup>	—	0.98	0.96	2.1
<b>Adjusted fully diluted net earnings per share<sup>(1)</sup> (Dollars)</b>				
Q3 <sup>(4)</sup>	<b>1.52</b>	1.35	—	12.6
Q2 <sup>(5)</sup>	<b>1.02</b>	0.91	—	12.1
Q1 <sup>(5)</sup>	<b>1.10</b>	1.02	—	7.8
Q4 <sup>(6)</sup>	—	1.02	0.99	3.0

<sup>(4)</sup> 16 weeks

<sup>(5)</sup> 12 weeks

<sup>(6)</sup> 12 weeks in 2025 and 2024, 13 weeks in 2023

Sales in the third quarter of Fiscal 2025 ended on July 5, 2025 were \$6,871.0 million, up 3.3% versus the third quarter of the prior year which ended on July 6, 2024, driven by higher sales in our retail network. Food same-store sales<sup>(1)</sup> were up 1.9% in the third quarter of Fiscal 2025 (2024 — 2.4%). Online food sales<sup>(1)</sup> were up 14.4% versus last year (2024 — 34.3%). Our food basket inflation was generally in line with the reported CPI for food purchased from stores. Pharmacy same-store sales<sup>(1)</sup> were up 5.5% (2024 — 5.2%), with a 6.2% increase in prescription drugs<sup>(1)</sup> and a 4.0% increase in front-store sales<sup>(1)</sup>, primarily driven by over-the-counter products, cosmetics, and health and beauty.

Sales in the second quarter of Fiscal 2025 ended on March 15, 2025 were \$4,909.9 million, up 5.5% versus the second quarter of the prior year which ended on March 16, 2024. Sales were positively impacted by the transfer of two significant pre-Christmas shopping days to the second quarter this year. Food same-store sales<sup>(1)</sup> were up 5.3% in the second quarter of Fiscal 2025 and up 3.9% when adjusting for the Christmas shift<sup>(3)</sup>. Online food sales<sup>(1)</sup> were up 26.2% versus last year. When adjusting for the sales tax holiday, our food basket inflation was slightly lower than the reported CPI for food purchased from stores. Pharmacy same-store sales<sup>(1)</sup> were up 7.0% with a 7.8% increase in prescription drugs<sup>(1)</sup> and a 5.3% increase in front-store sales<sup>(1)</sup>. When adjusting for the Christmas shift<sup>(3)</sup>, the increase in front-store sales was 3.7%.

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Sales in the first quarter of Fiscal 2025 ended on December 21, 2024 were \$5,117.1 million, up 2.9% versus the first quarter of the prior year which ended on December 23, 2023. Sales were negatively impacted by the transfer of two significant pre-Christmas shopping days to the second quarter this year. Food same-store sales<sup>(1)</sup> were up 1.0% in the first quarter of Fiscal 2025 and up 2.4% when adjusting for the Christmas shift<sup>(3)</sup>. Online food sales<sup>(1)</sup> were up 18.6% versus last year. When adjusting for the sales tax holiday, our food basket inflation was slightly higher than the reported CPI for food purchased from stores. Pharmacy same-store sales<sup>(1)</sup> were up 5.1% with a 7.3% increase in prescription drugs<sup>(1)</sup> and a 0.5% increase in front-store sales<sup>(1)</sup>. When adjusting for the Christmas shift<sup>(3)</sup>, the increase in front-store sales was 1.9%.

Sales in the fourth quarter of Fiscal 2024 ended on September 28, 2024 were \$4,938.4 million, down 2.6% versus the fourth quarter of the prior year, and up 5.7% based on 12 weeks in 2023, driven by higher sales in our retail network this year and the negative impact of a labour conflict at 27 Metro stores in the Greater Toronto Area in the fourth quarter of 2023. Our food basket inflation was slightly higher than the reported CPI for food purchased from stores of 1.7%. Food Same-store sales<sup>(1)</sup> were up 2.2% in the fourth quarter of Fiscal 2024 (6.8% in the fourth quarter of 2023). Online food sales<sup>(1)</sup> were up 27.6% versus the comparable 12-week period last year (116.0% in the fourth quarter of 2023). Pharmacy same-store sales<sup>(1)</sup> were up 5.7% (5.5% in the fourth quarter of 2023), with a 6.8% increase in prescription drugs<sup>(1)</sup> and a 3.3% increase in front-store sales<sup>(1)</sup>, primarily driven by over-the-counter products, cosmetics and health and beauty.

Net earnings for the third quarter of Fiscal 2025 were \$323.0 million compared with \$296.2 million for the corresponding quarter of 2024, while fully diluted net earnings per share were \$1.48 compared with \$1.31 in 2024, up 9.0% and 13.0% respectively. Adjusted net earnings<sup>(1)</sup> for the third quarter of Fiscal 2025 totalled \$331.8 million compared with \$305.0 million for the corresponding quarter of 2024, and adjusted fully diluted net earnings per share<sup>(1)</sup> for third quarter of Fiscal 2025 were \$1.52, versus \$1.35 in 2024, up 8.8% and 12.6% respectively. The third quarters of 2025 and 2024 included an adjustment for the pre-tax amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition of \$11.9 million, as well as the income taxes relating to this item.

Net earnings for the second quarter of Fiscal 2025 were \$220.0 million compared with \$187.1 million for the corresponding quarter of 2024, while fully diluted net earnings per share were \$0.99 compared with \$0.83 in 2024, up 17.6% and 19.3% respectively. Adjusted net earnings<sup>(1)</sup> for the second quarter of Fiscal 2025 totalled \$226.6 million compared with \$206.4 million for the corresponding quarter of 2024, and adjusted fully diluted net earnings per share<sup>(1)</sup> for second quarter of Fiscal 2025 were \$1.02, versus \$0.91 in 2024, up 9.8% and 12.1% respectively. The second quarters of 2025 and 2024 included an adjustment for the pre-tax amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition of \$8.9 million, as well as the income taxes relating to this item. The second quarter of 2024 also included a loss on the impairment of a loyalty program of \$20.8 million and a gain on disposal of an investment in an associate of \$7.0 million, as well as the income taxes relating to these items.

Net earnings for the first quarter of Fiscal 2025 were \$259.5 million compared with \$228.5 million for the corresponding quarter of 2024, while fully diluted net earnings per share were \$1.16 compared with \$0.99 in 2024, up 13.6% and 17.2% respectively. Adjusted net earnings<sup>(1)</sup> for the first quarter of Fiscal 2025 totalled \$245.4 million compared with \$235.0 million for the corresponding quarter of 2024, up 4.4%. Adjusted fully diluted net earnings per share<sup>(1)</sup> for the first quarter of Fiscal 2025 were \$1.10, versus \$1.02 in 2024, up 7.8%. The first quarters of 2025 and 2024 included an adjustment for the pre-tax amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition of \$8.9 million, as well as the income taxes relating to this item and the first quarter of 2025 also included a \$20.6 million adjustment regarding the favorable resolution of an income tax position related to prior years.

Net earnings for the fourth quarter of Fiscal 2024 were \$219.9 million compared with \$222.2 million for the corresponding quarter of 2023, while fully diluted net earnings per share were \$0.98 compared with \$0.96 in 2023, down 1.0% and up 2.1% respectively. Adjusted net earnings<sup>(1)</sup> for the fourth quarter of Fiscal 2024 totalled \$226.5 million compared with \$228.8 million for the corresponding quarter of 2023, down 1.0%. Adjusted fully diluted net earnings per share<sup>(1)</sup> for the fourth quarter of Fiscal 2024 were \$1.02, versus \$0.99 in 2023, up 3.0%. In the fourth quarter of 2023, the labour conflict at 27 Metro stores in the Greater Toronto Area had an unfavorable impact of approximately \$27.0 million after-tax or \$0.12 per share and the 13th week had a favorable impact of \$27.0 million net of tax or \$0.12 per share. The fourth quarters of 2024 and 2023 included an adjustment for the pre-tax amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition of \$9.0 million, as well as the income taxes relating to this item.

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	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(Millions of dollars)</i>								
Net earnings	323.0	220.0	259.5	219.9	296.2	187.1	228.5	222.2
Loss on impairment of a loyalty program, net of taxes	—	—	—	—	—	18.1	—	—
Gain on disposal of an investment in an associate, net of taxes	—	—	—	—	—	(5.4)	—	—
Amortization of intangible assets acquired in connection with the Jean Coutu Group acquisition, net of taxes	8.8	6.6	6.5	6.6	8.8	6.6	6.5	6.6
Favorable resolution of a tax position in respect of prior years	—	—	(20.6)	—	—	—	—	—
Adjusted net earnings <sup>(1)</sup>	331.8	226.6	245.4	226.5	305.0	206.4	235.0	228.8

	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<i>(Dollars)</i>								
Fully diluted net earnings per share	1.48	0.99	1.16	0.98	1.31	0.83	0.99	0.96
Adjustments impact	0.04	0.03	(0.06)	0.04	0.04	0.08	0.03	0.03
Adjusted fully diluted net earnings per share <sup>(1)</sup>	1.52	1.02	1.10	1.02	1.35	0.91	1.02	0.99

## CASH POSITION

### OPERATING ACTIVITIES

In the third quarter of Fiscal 2025, operating activities generated cash inflows of \$680.2 million compared with \$593.6 million in the corresponding quarter of 2024. The increase is mainly due to higher earnings in 2025 and to favorable changes in non-cash working capital items during the quarter compared to last year.

In the first 40 weeks of Fiscal 2025, operating activities generated cash inflows of \$1,225.8 million compared with \$1,221.0 million for the corresponding period of 2024.

### INVESTING ACTIVITIES

Investing activities required cash outflows of \$111.1 million for the third quarter of Fiscal 2025 compared with \$149.5 million for the corresponding quarter of 2024. This difference stemmed mainly from lower investments in tangible and intangible assets of \$41.2 million in 2025.

In the first 40 weeks of Fiscal 2025, investing activities required cash outflows of \$225.4 million compared with \$306.3 million for the corresponding period of 2024. This difference stemmed mainly from lower investments in tangible and intangible assets of \$90.9 million in 2025.

During the first 40 weeks of Fiscal 2025, we and our retailers opened 8 stores, carried out major expansions and renovations of 12 stores, and 4 stores were closed, for a net increase of 194,300 square feet or 0.9% of our food retail network.

### FINANCING ACTIVITIES

In the third quarter of 2025, financing activities required cash outflows of \$532.1 million compared with \$438.8 million in the corresponding quarter of 2024. The variation is mainly due to a unfavorable variation in net debt of \$99.7 million in 2025 compared to 2024.

In the first 40 weeks of Fiscal 2025, financing activities required cash outflows of \$954.2 million compared with \$938.9 million for the corresponding period of 2024. This difference is mainly due to higher share repurchases of \$55.4 million in 2025, partly offset by a favorable variation in net debt of \$52.1 million in 2025 compared to 2024.

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## FINANCIAL POSITION

We do not anticipate<sup>(2)</sup> any liquidity risk and consider our financial position at the end of the third quarter of 2025 as very solid. We had an unused authorized revolving credit facility of \$594.6 million.

At the end of the third quarter of 2025, the main elements of our debt were as follows:

	Interest Rate	Maturity	Notional (Millions of dollars)
	Rates fluctuate with changes in bankers' acceptance rates		
Revolving Credit Facility		December 11, 2029	5.4
Series G Notes	3.39% fixed nominal rate	December 6, 2027	450.0
Series L Notes	4.00% fixed nominal rate	November 27, 2029	500.0
Series K Notes	4.66% fixed nominal rate	February 7, 2033	300.0
Series B Notes	5.97% fixed nominal rate	October 15, 2035	400.0
Series D Notes	5.03% fixed nominal rate	December 1, 2044	300.0
Series H Notes	4.27% fixed nominal rate	December 4, 2047	450.0
Series I Notes	3.41% fixed nominal rate	February 28, 2050	400.0

On November 27, 2024, the Corporation issued through a private placement Series L unsecured senior notes in the aggregate principal amount of \$500.0 million, bearing interest at a fixed nominal rate of 3.998%, maturing on November 27, 2029. In anticipation of this issuance, on November 22, 2024, the Corporation entered into a bond forward contract designated as cash flow hedge on a portion of a highly probable future debt issuance in the amount of \$100.0 million that effectively locked-in a 5-year fixed underlying Government of Canada yield of 3.351%. The effective part of the loss on the hedging instrument was recognized in Other Comprehensive Income. Following the Series L notes issuance, the amounts accumulated in equity will be reclassified to net financial costs on a linear basis over the life of the debt.

On December 2, 2024, the Corporation redeemed all of the Series J notes, bearing interest at a fixed nominal rate of 1.92%, in the amount of \$300.0 million that matured on the same day.

## CAPITAL STOCK, STOCK OPTIONS AND PERFORMANCE SHARE UNITS

	As at July 5, 2025	As at September 28, 2024
Number of Common Shares outstanding ( <i>Thousands</i> )	217,534	222,414
Stock options:		
Number outstanding ( <i>Thousands</i> )	1,979	2,179
Exercise prices ( <i>Dollars</i> )	47.51 to 102.08	41.16 to 77.75
Weighted average exercise price ( <i>Dollars</i> )	69.67	61.15
Performance share units:		
Number outstanding ( <i>Thousands</i> )	556	571

## NORMAL COURSE ISSUER BID PROGRAM

Under the current normal course issuer bid program, the Corporation may repurchase up to 10,000,000 of its Common Shares between November 27, 2024 and November 26, 2025. Between November 27, 2024 and August 1, 2025, the Corporation has repurchased 5,700,000 Common Shares at an average price of \$98.55, for a total consideration of \$561.8 million.

## DIVIDENDS

On August 12, 2025, the Board of Directors declared a quarterly dividend of \$0.37 per share, the same amount declared last quarter.

<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

<sup>(2)</sup> See section on "Forward-looking Information"



## SHARE TRADING

The value of METRO shares remained in the \$81.01 to \$109.20 range over the first 40 weeks of Fiscal 2025. During this period, a total of 97.3 million shares were traded on the Toronto Stock Exchange. The closing price on August 1, 2025 was \$105.38 compared with \$84.84 at the end of Fiscal 2024.

## NEW ACCOUNTING STANDARD

### ACCOUNTING STANDARD ISSUED BUT NOT YET EFFECTIVE

#### Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*, and consequential amendments to several other standards. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, with prescribed subtotals for each new category. It also requires disclosure of management-defined performance measures which will now form part of the audited financial statements.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Corporation is currently working to identify all impacts the amendments will have on the consolidated financial statements and notes to the consolidated financial statements.

## FORWARD-LOOKING INFORMATION

We have used, throughout this report, different statements that could, within the context of regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained herein that does not constitute a historical fact may be deemed a forward-looking statement. Expressions such as "anticipate", "continue", "estimate", "predict" and other similar expressions are generally indicative of forward-looking statements. The forward-looking statements contained herein are based upon certain assumptions regarding the Canadian food and pharmaceutical industries, the general economy, our annual budget, as well as our 2025 action plan.

These forward-looking statements do not provide any guarantees as to the future performance of the Corporation and are subject to potential risks, known and unknown, as well as uncertainties that could cause the outcome to differ significantly. Risk factors that could cause actual results or events to differ materially from our expectations as expressed in, or implied by, our forward-looking statements are described and discussed under the "Risk Management" section in our Annual Report 2024.

We believe these statements to be reasonable and pertinent as at the date of publication of this report and represent our expectations. The Corporation does not intend to update any forward-looking statement contained herein, except as required by applicable law.

<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

<sup>(2)</sup> See section on "Forward-looking Information"



## NON-GAAP AND OTHER FINANCIAL MEASUREMENTS

In addition to the International Financial Reporting Standards (IFRS) measurements provided, we have included certain non-GAAP and other financial measurements. These measurements are presented for information purposes only. They do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies.

*National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure* sets out specific disclosure requirements for non-GAAP financial measures, non-GAAP ratios, and other financial measures, which are capital management measures, supplementary financial measures, and total of segments measures, as defined in the Instrument (together the "specified financial measures").

The specified financial measures we disclose in our documents made available to the public are presented by measurement categories below.

### NON-GAAP FINANCIAL MEASURES

**Adjusted earnings before net financial costs and income taxes** is a non-GAAP financial measurement that, with respect to its composition, is adjusted to exclude net financial costs and special items from the composition of the most directly comparable financial measure disclosed in our consolidated financial statements, which is earnings before income taxes. Special items may include acquisition and restructuring charges, gains or losses on the disposal of investments, and amortization and impairment losses of intangible assets resulting from a business acquisition.

**Adjusted net earnings** is a non-GAAP financial measurement that, with respect to its composition, is adjusted to exclude special items from the composition of the most directly comparable financial measure disclosed in our consolidated financial statements, which is net earnings. Special items may include acquisition and restructuring charges, gains or losses on the disposal of investments, amortization and impairment losses of intangible assets resulting from a business acquisition, and significant prior-year tax adjustments.

For measurements depicting financial performance, we believe that presenting earnings adjusted for these items, which are not necessarily reflective of the Corporation's performance, leaves readers of financial statements better informed thus enabling them to better perform trend analysis, evaluate the Corporation's financial performance and assess its future outlook. Adjusting for these items does not imply that they are non-recurring.

### NON-GAAP RATIOS

**Adjusted fully diluted net earnings per share** is a non-GAAP ratio by where a non-GAAP financial measure is used as one or more of its components. The non-GAAP component used is adjusted net earnings<sup>(1)</sup>. Adjusted fully diluted net earnings per share is calculated by dividing the adjusted net earnings<sup>(1)</sup> attributable to equity holders of the parent by the weighted average number of Common Shares outstanding during the year, adjusted to reflect all potential dilutive shares.

We believe that presenting this ratio, in which a non-GAAP financial measurement is used as one or more of its components, leaves readers of financial statements better informed as to the current period and corresponding prior year's period's performance, thus enabling them to better perform trend analysis, evaluate the Corporation's financial performance and assess its future outlook. Adjusting for these items does not imply that they are non-recurring.

### SUPPLEMENTARY FINANCIAL MEASURES

The supplementary financial measures listed below are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Corporation.

**Food same-store sales** are defined as comparable retail sales of stores with more than 52 consecutive weeks of operations, including relocated, expanded and renovated locations. Food same-store sales is a measure based on all stores in our network, including those whose sales are not included in the Corporation's consolidated financial statements.

**Online food sales** are the sum of sales made from all our online channels.

<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

<sup>(2)</sup> See section on "Forward-looking Information"



**Pharmacy same-store sales (including total, front-store and prescription drugs)** are defined as comparable retail sales of stores with more than 52 consecutive weeks of operations, including relocated, expanded and renovated locations. Pharmacy same-store sales do not form part of the Corporation's consolidated financial statements because the pharmacies are held by pharmacist owners.

**Gross margin** ratio is calculated by dividing gross profit by sales.

## **OUTLOOK<sup>(2)</sup>**

The significant investments in the modernization of our supply chain are largely behind us, and we are now focussed on realizing efficiency gains. These investments position us well for growth through the expansion of our retail network in the years ahead. As we begin our fourth quarter, we continue to face an uncertain economic environment, and it is difficult to predict how this environment will evolve and how it will impact our operations and our customers. We remain steadfast in our focus to deliver value to our customers through our robust merchandising programs, our strong private label and loyalty offers and working with our supply chain partners.

Montréal, August 13, 2025

<sup>(1)</sup> This measurement is presented for information purpose only. It does not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similar measurements presented by other public companies. See table in section "Operating Results" and section on "Non-GAAP and Other Financial Measurements"

<sup>(2)</sup> See section on "Forward-looking Information"