

Management's Discussion and Analysis

Canadian Tire Corporation, Limited
First Quarter 2025

Management's Discussion and Analysis

Canadian Tire Corporation, Limited
First Quarter 2025

Table of Contents

1.0	PREFACE	1
2.0	COMPANY AND INDUSTRY OVERVIEW	3
2.1	General Development of the Business	
3.0	COMPANY STRATEGY	4
4.0	FINANCIAL PERFORMANCE	5
4.1	Consolidated Financial Performance	5
4.2	Retail Segment Performance	9
4.3	Financial Services Segment Performance	13
4.4	CT REIT Segment Performance	16
5.0	BALANCE SHEET ANALYSIS, LIQUIDITY, AND CAPITAL RESOURCES	19
6.0	EQUITY	26
7.0	TAX MATTERS	27
8.0	ACCOUNTING POLICIES AND ESTIMATES	27
9.0	NON-GAAP FINANCIAL MEASURES AND RATIOS	29
10.0	RISKS AND RISK MANAGEMENT	40
11.0	INTERNAL CONTROLS AND PROCEDURES	40
12.0	ENVIRONMENTAL, SOCIAL, AND GOVERNANCE	41
13.0	2024 QUARTERLY TRENDS	42
14.0	CAUTION REGARDING FORWARD-LOOKING INFORMATION	43

1.0 Preface

1.1 Definitions

In this document, the terms “we”, “us”, “our”, “Company”, “Canadian Tire Corporation”, “CTC”, and “Corporation” refer to Canadian Tire Corporation, Limited, on a consolidated basis. This document also refers to the Corporation’s three reportable operating segments: the “Retail segment”, the “Financial Services segment”, and the “CT REIT segment”.

The financial results for the Retail segment are delivered by the businesses operated by the Company under the Company’s retail banners, which include Canadian Tire, PartSource, Petroleum, Party City, Mark’s, SportChek, Sports Experts, Atmosphere, Pro Hockey Life (PHL), Sports Rousseau, and Hockey Experts.

In this document:

“Canadian Tire” refers to the general merchandise retail and services business carried on under the Canadian Tire name and trademarks.

“Canadian Tire Gas+” or “Petroleum” refers to the retail petroleum business carried on under the Canadian Tire Gas+ name and trademarks, in addition to the Petro-Canada branded gas stations owned by CTC.

“Canadian Tire Retail” or “CTR” refer to the general merchandise retail and services businesses carried on under the Canadian Tire, PartSource, PHL, and Party City names and trademarks.

“CT REIT” refers to the business carried on by CT Real Estate Investment Trust and its subsidiaries, including CT REIT Limited Partnership (CT REIT LP).

“Financial Services” refers to the business carried on by the Company’s Financial Services subsidiaries, namely Canadian Tire Bank (CTB or the Bank) and CTFS Bermuda Ltd. (CTFS Bermuda), a Bermuda reinsurance company.

“Franchise Trust” refers to a legal entity sponsored by a third-party bank that originates and services loans to certain Dealers for their purchases of inventory and fixed assets (Dealer loans).

“Helly Hansen” refers to the international wholesale and retail businesses that operate under the Helly Hansen and Musto names and trademarks. This is now a discontinued operation.

“Jumpstart” refers to Canadian Tire Jumpstart Charities.

“Mark’s” refers to the retail and commercial wholesale businesses carried on by Mark’s Work Wearhouse Ltd. under the Mark’s, L’Équipeur, Mark’s WorkPro, L’Équipeur Pro, Mark’s Commercial and L’Équipeur Commercial names and trademarks.

“Owned Brands” refers to brands owned by the Company and managed within the Retail segment.

“PartSource stores” refers to stores that operate under the PartSource name and trademarks.

“Party City” refers to the party supply business carried on under the Party City name and trademarks in Canada.

“SportChek” refers to the retail business carried on by FGL Sports Ltd. under the SportChek, Sports Experts, Atmosphere, Sports Rousseau, Hockey Experts, and L’Entrepôt du Hockey names and trademarks, unless the context requires otherwise.

Other terms that are capitalized in this document are defined the first time they are used.

This document contains trade names, trademarks, and service marks of CTC and other organizations, all of which are the property of their respective owners. Solely for convenience, the trade names, trademarks, and service marks referred to herein appear without the ® or TM symbol.

1.2 Forward-Looking Information

This Management's Discussion and Analysis (MD&A) contains information that may constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information provides insights regarding Management's current expectations and plans and allows investors and others to better understand the Company's anticipated financial position, results of operations and operating environment, including the current economic uncertainty related to tariffs and trade. Readers are cautioned that such information may not be appropriate for other purposes. Although the Company believes that the forward-looking information in this MD&A is based on information, assumptions and beliefs that are current, reasonable, and complete, such information is necessarily subject to a number of business, economic, competitive and other risk factors that could cause actual results to differ materially from Management's expectations and plans as set forth in such forward-looking information. The Company cannot provide assurance that any financial or operational performance, plans, or aspirations forecast will actually be achieved or, if achieved, will result in an increase in the Company's share price. Refer to Section 14.0 in this MD&A for a more detailed discussion of the Company's use of forward-looking information.

1.3 Review and Approval by the Board of Directors

The Board of Directors, on the recommendation of its Audit Committee, approved the contents of this MD&A on May 7, 2025.

1.4 Quarterly and Annual Comparisons in the MD&A

Unless otherwise indicated, all comparisons of results for Q1 2025 (13 weeks ended March 29, 2025) are compared against results for Q1 2024 (13 weeks ended March 30, 2024).

1.5 Accounting Framework

The condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), also referred to as Generally Accepted Accounting Principles (GAAP), using the accounting policies described in Note 2 to the Company's interim consolidated financial statements for the first quarter of 2025.

1.6 Accounting Estimates and Assumptions

The preparation of the Company's condensed interim consolidated financial statements that conforms to IFRS Accounting Standards, requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the condensed interim consolidated financial statements and the reported revenue and expenses during the reporting period. Refer to Section 8.1 in this MD&A for further information.

1.7 Key Performance Measures

The Company uses certain key performance measures, which provide useful information to both Management and investors in measuring the financial performance and financial condition of the Company. These measures are classified as GAAP measures, non-GAAP financial measures, non-GAAP ratios, capital management measures, and supplementary financial measures, as well as non-financial measures. Readers are cautioned that the non-GAAP financial measures have no standardized meanings under IFRS Accounting Standards and, therefore, may not be comparable to similar terms used by other companies. Refer to Section 9.0 for additional information on these metrics. Many of the non-GAAP financial measures in this document are adjusted to normalize the results for certain activities Management does not believe reflect the ongoing business. Unless otherwise noted, analysis of changes in normalized results applies equally to changes in the reported results.

1.8 Rounding and Percentages

Rounded numbers are used throughout the MD&A. All year-over-year percentage changes are calculated on whole dollar amounts except in the presentation of Basic and Diluted earnings per share (EPS), in which year-over-year percentage changes are based on fractional amounts.

2.0 Company and Industry Overview

Canadian Tire Corporation, Limited (TSX: CTC.A) (TSX: CTC) and its subsidiaries, are a group of companies that include a Retail segment, a Financial Services segment and CT REIT. Our retail business is led by Canadian Tire, which was founded in 1922 and provides Canadians with products for life in Canada across its Automotive, Fixing, Living, Playing, and Seasonal & Gardening divisions. PartSource, Canadian Tire Gas+, Party City and Pro Hockey Life are key parts of the Company's retail network. The Retail segment also includes Mark's and Mark's WorkPro, a leading source of casual and industrial wear; and SportChek, Hockey Experts, Sports Experts and Atmosphere, which offer the best activewear brands. CTC's 1,700 retail and gasoline outlets are supported and strengthened by our Financial Services segment and the tens of thousands of people employed across Canada by the Company and its Canadian Tire Associate Dealers (Dealers), franchisees, and petroleum retailers. A description of the Company's business and select core capabilities can be found in the Company's 2024 Annual Information Form (AIF), including Section 2 "Description of the Business" and on the Company's Corporate (<https://corp.canadiantire.ca>) and Investor Relations (<https://corp.canadiantire.ca/investors>) websites.

2.1 General Development of the Business

The following contains forward-looking information and readers are cautioned that actual results may vary.

On February 19, 2025, the Company announced that it signed an agreement to sell its Helly Hansen business to Kontoor Brands Inc. for gross proceeds of \$1,276 million, subject to closing adjustments. The transaction is expected to close in the second quarter of 2025, subject to receiving regulatory approvals and other customary closing conditions as well as the signing of a multi-year supply agreement between the parties.

The Company has met the criteria for presenting Helly Hansen as a discontinued operation with its announcement and as such, the results of the Helly Hansen business have been classified as assets held for sale and discontinued operations. In this MD&A, Helly Hansen results, net of intersegment eliminations, have been removed from the Company's Consolidated and Retail Segment results and presented separately as discontinued operations in the Company's current and comparative results, except for the comparative period in the balance sheet.

A discontinued operation is a component of an entity that has either been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.

Unless otherwise indicated, all financial information in this MD&A represents the results from continuing operations.

3.0 Company Strategy

The following contains forward-looking information and readers are cautioned that actual results may vary.

True North

During the first quarter, CTC launched True North, its new four-year transformative growth strategy, designed to drive core retail growth through four strategic cornerstones: disciplined capital investments to build exceptional digital and store experiences; an expanded Triangle Rewards loyalty system; creating more personalized and data-driven customer relationships; and a more agile, tech-driven and efficient operating company. The strategy is designed to increase shareholder value above the Company's historic levels. True North includes more than \$2 billion in capital investment over the four years starting in 2025 across a series of value creating initiatives in each focus area, which will be overseen by a newly established transformation management office.

The transformation is underway, with progress on a number of fronts.

- As part of True North's focus on expanding the Triangle Rewards system, the Company has announced new partnerships with WestJet Rewards in addition to Royal Bank of Canada (RBC) as a strategic Triangle partner. Both partnerships are expected to launch in 2026 and will be key building blocks for the strategy, creating more value for Triangle members, increasing member acquisition and engagement, and contributing to retail sales growth by expanding the reach and issuance of Canadian Tire Money beyond CTC's retail banners and Canadian Tire Bank.
- True North's store enhancement program will invest in modern new store formats, expected to enhance sales, margin and customer experience. Planned investments in 2025 include more than 30 CTR store projects and 18 Mark's store projects, including seven new Bigger, Better, Bolder stores, capitalizing on Mark's record of accretive returns and emerging market share opportunities in the casual apparel sector. In addition, SportChek is optimizing its portfolio, and opened with the second of its two new concept "Destination Sport" stores in Toronto, Ontario, in April of 2025.
- Since announcing the True North strategy, the Company has begun restructuring into a more agile operating company under a new senior leadership team structure.
- CTC has progressed its transformation work, which is expected to deliver annualized operating expense savings of \$100 million starting in 2026. In relation to the strategy implementation, the Company has expensed approximately \$95 million in restructuring and severance costs, as well as additional transformation and advisory costs of approximately \$19 million.
- As part of the announcement of the launch of its True North transformative growth strategy, the Company increased its share repurchase intention to up to \$400 million, subject to the completion of the sale of Helly Hansen (the 2025 Share Purchase Intention). At the end of Q1 2025, the Company had completed approximately 20 percent or \$78.1 million of its 2025 Share Purchase Intention.
- CTC is making progress towards the completion of its previously announced divestiture of the Helly Hansen business. The transaction is expected to close before the end of the second quarter, unlocking capital for shareholders and strategic capital investments.

4.0 Financial Performance

Within these financial results, the Helly Hansen results, net of intersegment results, have been presented separately as discontinued operations in the current and comparative results. Unless otherwise indicated, all financial information represents the Company's results from continuing operations. Refer to Section 2.1 General Development of the Business for additional information.

4.1 Consolidated Financial Performance

4.1.1 Consolidated Financial Results

(C\$ in millions, except where noted)	Q1 2025	Q1 2024	Change
Retail sales ¹	\$ 3,423.0	\$ 3,257.5	5.1 %
Revenue	\$ 3,456.7	\$ 3,332.8	3.7 %
Gross margin dollars	\$ 1,190.8	\$ 1,150.6	3.5 %
Gross margin rate ¹	34.4 %	34.5 %	(7) bps
Other expense (income)	\$ 111.9	\$ (0.9)	NM ²
Selling, general and administrative expenses	775.9	776.5	(0.1) %
Depreciation and amortization	181.8	183.0	(0.7) %
Net finance costs (income)	69.6	89.1	(21.9) %
Income before income taxes	\$ 51.6	\$ 102.9	(49.9) %
Income tax expense (recovery)	4.6	23.8	(80.7) %
Effective tax rate ¹	8.9 %	23.1 %	
Net income from continuing operations	\$ 47.0	\$ 79.1	(40.6) %
Net income from discontinued operations	9.9	16.9	(41.4) %
Net income	\$ 56.9	\$ 96.0	(40.6) %
Net income attributable to:			
Shareholders of Canadian Tire Corporation			
Continuing operations	\$ 27.3	\$ 59.9	(54.4) %
Discontinued operations	9.9	16.9	(41.4) %
Non-controlling interests	19.7	19.2	2.6 %
	\$ 56.9	\$ 96.0	(40.6) %
Basic earnings per share	\$ 0.67	\$ 1.38	(51.4) %
Continuing operations	0.49	1.08	(54.6) %
Discontinued operations	0.18	0.30	(40.0) %
Diluted earnings per share	\$ 0.67	\$ 1.38	(51.4) %
Continuing operations	0.49	1.08	(54.6) %
Discontinued operations	0.18	0.30	(40.0) %
Weighted average number of Common and Class A Non-Voting Shares outstanding:			
Basic	55,568,222	55,623,371	(0.1) %
Diluted	55,740,159	55,765,698	— %

¹ For further information about this measure see Section 9.2 of this MD&A.

² Not meaningful.

Non-Controlling Interests

The following table outlines the net income attributable to the Company's non-controlling interests. For additional details, refer to Note 15 of the Company's 2024 Consolidated Financial Statements.

(C\$ in millions)	Q1 2025	Q1 2024
CT REIT		
Non-controlling interest 31.7% (2024 – 31.6%)	\$ 19.0	\$ 18.2
Retail segment subsidiary		
Non-controlling interest 50.0% (2024 – 50.0%)	0.7	1.0
Net income attributable to non-controlling interests	\$ 19.7	\$ 19.2

Normalizing Items

In relation to the True North strategy announced in March of 2025, the Company recorded a one-time transformation charge of \$95.4 million including severance in addition to costs for optimization of the SportChek store portfolio, including closing standalone Atmosphere stores. The Company also expensed \$18.7 million in other transformation and advisory costs. These costs are recorded within Other expense (income) in the Consolidated Statements of Income. There were no normalizing items in the first quarter of 2024.

The following table summarizes the normalizing items recorded in the quarter:

(C\$ in millions)	Q1 2025	Q1 2024
Restructuring costs	\$ 95.4	\$ —
Other transformation and advisory costs	18.7	—
Total normalized costs before income taxes	\$ 114.1	\$ —
Income tax expense	30.0	—
Total normalized costs after income taxes	\$ 84.1	\$ —

Selected Normalized Metrics – Consolidated

(C\$ in millions, except where noted)	Q1 2025	Normalizing Items ¹	Normalized Q1 2025 ²	Q1 2024	Normalizing Items ¹	Normalized Q1 2024 ²	Change ³
Revenue	\$ 3,456.7	\$ —	\$ 3,456.7	\$ 3,332.8	\$ —	\$ 3,332.8	3.7 %
Cost of producing revenue	2,265.9	—	2,265.9	2,182.2	—	2,182.2	3.8 %
Gross margin dollars	\$ 1,190.8	\$ —	\$ 1,190.8	\$ 1,150.6	\$ —	\$ 1,150.6	3.5 %
Gross margin rate ⁴	34.4 %	— bps	34.4 %	34.5 %	— bps	34.5 %	(7) bps
Other expense (income)	\$ 111.9	\$ (114.1)	\$ (2.2)	\$ (0.9)	\$ —	\$ (0.9)	NM ⁵
Selling, general and administrative expenses	775.9	—	775.9	776.5	—	776.5	(0.1) %
Depreciation and amortization	181.8	—	181.8	183.0	—	183.0	(0.7) %
Net finance costs (income)	69.6	—	69.6	89.1	—	89.1	(21.9) %
Income before income taxes	\$ 51.6	\$ 114.1	\$ 165.7	\$ 102.9	\$ —	\$ 102.9	61.0 %
Income tax expense (recovery)	4.6	30.0	34.6	23.8	—	23.8	45.4 %
Net income from continuing operations	\$ 47.0	\$ 84.1	\$ 131.1	\$ 79.1	\$ —	\$ 79.1	65.7 %
Net income from discontinued operations	9.9	—	9.9	16.9	—	16.9	(41.4) %
Net income	\$ 56.9	\$ 84.1	\$ 141.0	\$ 96.0	\$ —	\$ 96.0	46.9 %
Net income attributable to shareholders of CTC							
Continuing operations	\$ 27.3	\$ 84.1	111.4	\$ 59.9	\$ —	\$ 59.9	86.0 %
Discontinued operations	9.9	—	9.9	16.9	—	16.9	(41.4) %
Diluted EPS	\$ 0.67	\$ 1.51	2.18	\$ 1.38	\$ —	\$ 1.38	58.0 %
Continuing operations	0.49	1.51	2.00	1.08	—	1.08	85.2 %
Discontinued operations	0.18	—	0.18	0.30	—	0.30	(40.0) %

¹ Refer to Normalizing Items table in this Section for more details.

² These normalized measures (excluding Revenue, Cost of producing revenue, Gross margin dollars, Selling, general and administrative expenses, Depreciation and amortization, and Net finance costs) are non-GAAP financial measures or non-GAAP ratios. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

³ Change is between normalized results.

⁴ For further information about this measure see Section 9.2 of this MD&A.

⁵ Not meaningful.

Consolidated Results Commentary

Consolidated Income before income taxes was \$51.6 million, a decrease of \$51.3 million compared to the prior year. Normalized Income before income taxes was up \$62.8 million, driven by improved Retail segment profitability. Diluted EPS was \$0.49, Normalized Diluted EPS was \$2.00, up \$0.92.

Q1 2025	
Consolidated Results Summary	▼ Diluted EPS: \$0.59 per share
	▲ Normalized Diluted EPS: \$0.92 per share
	<ul style="list-style-type: none"> Consolidated Revenue was \$3,456.7 million, an increase of \$123.9 million or 3.7 percent. Consolidated Revenue excluding Petroleum¹ was \$2,957.5 million, an increase of 3.2 percent. The increase was primarily driven by the Retail segment.
	<ul style="list-style-type: none"> Consolidated Gross margin dollars were \$1,190.8 million, an increase of \$40.2 million or 3.5 percent from the prior year due to growth in the Retail segment.
	<ul style="list-style-type: none"> Other expense (income) was \$111.9 million, unfavourable by \$112.8 million. Excluding the \$114.1 million restructuring and transformation costs, Normalized Other expense (income) was relatively flat to the prior year.
	<ul style="list-style-type: none"> Consolidated Selling, general and administrative expenses (SG&A) were \$775.9 million, relatively flat to the prior year.
	<ul style="list-style-type: none"> Depreciation and amortization was \$181.8 million, relatively flat to the prior year.
	<ul style="list-style-type: none"> Net finance costs were \$69.6 million, down \$19.5 million or 21.9 percent from the prior year, primarily due to lower borrowings, and due to lower interest rates this year.
<ul style="list-style-type: none"> Income tax expense was \$4.6 million, a decrease of \$19.2 million from the prior year, due to lower Income before income taxes as well as a lower Effective tax rate. The decrease in Effective tax rate was primarily due to favourable adjustments related to prior years' tax settlements. 	
<ul style="list-style-type: none"> Diluted EPS was \$0.49, a decrease of \$0.59 compared to the prior year. Normalized Diluted EPS was \$2.00, an increase of \$0.92 compared to the prior year, primarily due to an increase in Net income attributable to the reasons above. 	

¹ For further information about this measure see section 9.2 of this MD&A.

4.1.2 Consolidated Key Performance Measures

(C\$ in millions) increase/(decrease)	Q1 2025	Q1 2024	Change
Selling, general and administrative expenses	\$ 775.9	\$ 776.5	(0.6)
SG&A as a percentage of revenue	22.4 %	23.3 %	(85) bps
Income before income taxes	\$ 51.6	\$ 102.9	(51.3)
Normalized ¹ income before income taxes	165.7	102.9	62.8
EBITDA ³	308.3	381.7	(73.4)
Normalized ¹ EBITDA ²	422.4	381.7	40.7
Normalized ¹ EBITDA as a percentage of revenue ²	12.2 %	11.5 %	77 bps

¹ Refer to Section 4.1.1 in this MD&A for a description of normalizing items.

² This is a non-GAAP financial measure or non-GAAP ratio. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

³ Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA).

4.1.3 Seasonal Trend Analysis

The following table shows the consolidated financial performance of the Company from continuing operations by quarter for the last two years.

(C\$ in millions, except per share amounts)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	\$3,456.7	4,200.8	3,987.0	3,995.4	3,332.8	4,168.9	4,031.5	4,120.1	3,498.8
Net income (loss)	47.0	385.4	218.6	232.4	79.1	167.9	(27.4)	139.5	30.5
Diluted EPS	0.49	6.54	3.55	3.72	1.08	2.57	(1.18)	1.98	(0.08)

4.2 Retail Segment Performance

4.2.1 Retail Segment Financial Results

(C\$ in millions, except where noted)	Q1 2025	Q1 2024	Change
Retail sales ¹	\$ 3,423.0	\$ 3,257.5	5.1 %
Revenue	\$ 3,061.8	\$ 2,944.5	4.0 %
Gross margin dollars	\$ 977.8	\$ 938.5	4.2 %
Gross margin rate ¹	31.9 %	31.9 %	6 bps
Other expense (income)	\$ 73.2	\$ (37.9)	NM ²
Selling, general and administrative expenses	689.8	686.7	0.4 %
Depreciation and amortization	223.9	229.6	(2.5) %
Net finance costs (income)	54.1	78.4	(31.0) %
Income (loss) before income taxes from continuing operations	\$ (63.2)	\$ (18.3)	(245.4)%
Income before income taxes from discontinued operations	13.2	18.9	(30.2) %
Income (loss) before income taxes	\$ (50.0)	\$ 0.6	NM ²

¹ For further information about this measure see Section 9.2 of this MD&A

² Not meaningful.

Selected Normalized Metrics – Retail

(C\$ in millions, except where noted)	Q1 2025	Normalizing Items ¹	Normalized Q1 2025 ²	Q1 2024	Normalizing Items ¹	Normalized Q1 2024 ²	Change ³
Revenue	\$ 3,061.8	\$ —	\$ 3,061.8	\$ 2,944.5	\$ —	\$ 2,944.5	4.0 %
Cost of producing revenue	2,084.0	—	2,084.0	2,006.0	—	2,006.0	3.9 %
Gross margin dollars	\$ 977.8	\$ —	\$ 977.8	\$ 938.5	\$ —	\$ 938.5	4.2 %
Gross margin rate ⁴	31.9 %	— bps	31.9 %	31.9 %	— bps	31.9 %	6 bps
Other expense (income)	\$ 73.2	\$ (114.1)	\$ (40.9)	\$ (37.9)	\$ —	\$ (37.9)	7.9 %
Selling, general and administrative expenses	689.8	—	689.8	686.7	—	686.7	0.4 %
Depreciation and amortization	223.9	—	223.9	229.6	—	229.6	(2.5) %
Net finance costs (income)	54.1	—	54.1	78.4	—	78.4	(31.0) %
Income (loss) before income taxes from continuing operations	\$ (63.2)	\$ 114.1	\$ 50.9	\$ (18.3)	\$ —	\$ (18.3)	NM ⁵
Income before income taxes from discontinued operations	13.2	—	13.2	18.9	—	18.9	(30.2) %
Income (loss) before income taxes	\$ (50.0)	\$ 114.1	\$ 64.1	\$ 0.6	\$ —	\$ 0.6	NM ⁵

¹ Refer to Section 4.1.1 in this MD&A for a description of normalizing items.






² These normalized measures (excluding Revenue, Cost of producing revenue, Gross margin dollars, Selling, general and administrative expenses, Depreciation and amortization, and Net finance costs) are non-GAAP financial measures. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

³ Change is between normalized results.

⁴ For further information about this measure see Section 9.2 of this MD&A.

⁵ Not meaningful.

4.2.2 Retail Segment Key Performance Measures

(Year-over-year percentage change, C\$ in millions, except as noted)		Q1 2025	Q1 2024	Change
	Revenue ¹	\$ 3,061.8	\$ 2,944.5	4.0 %
	Revenue, excluding Petroleum	2,562.6	2,476.6	3.5 %
	Store count	1,701	1,692	
	Retail square footage (in millions)	35.2	34.9	
	Retail sales growth ²	5.1 %	(2.1) %	
	Retail sales growth, excluding Petroleum ²	4.9 %	(1.9) %	
	Consolidated Comparable sales growth ^{2,3}	4.7 %	(1.6) %	
	Retail Return on Invested Capital (ROIC) ^{4,5}	10.4 %	8.9 %	144 bps
	Retail SG&A as a percentage of revenue excluding Petroleum ²	26.9 %	27.7 %	(82) bps
	Owned Brands penetration rate ²	36.1%	36.5%	(43) bps
	Revenue ^{1,6}	\$ 1,850.9	\$ 1,798.0	2.9 %
	Store count ⁷	671	663	
	Retail square footage (in millions)	24.2	24.0	
	Sales per square foot ^{2,8}	\$ 500	\$ 508	(1.6) %
	Retail sales growth ^{2,9}	5.0 %	(0.7) %	
	Comparable sales growth ²	4.7 %	(0.6) %	
	Revenue ¹	\$ 412.3	\$ 387.7	6.3 %
	Store count	368	369	
	Retail square footage (in millions)	7.2	7.2	
	Sales per square foot ^{2,10}	\$ 319	\$ 313	1.9 %
	Retail sales growth ^{2,11}	6.5 %	(7.5) %	
	Comparable sales growth ²	6.3 %	(6.5) %	
	Revenue ^{1,12}	\$ 298.0	\$ 288.1	3.4 %
	Store count	383	380	
	Retail square footage (in millions)	3.8	3.7	
	Sales per square foot ^{2,10}	\$ 411	\$ 414	(0.7) %
	Retail sales growth ^{2,13}	2.6 %	(1.5) %	
	Comparable sales growth ²	2.2 %	(1.2) %	
	Revenue ¹	\$ 499.2	\$ 467.9	6.7 %
	Gas bar locations	279	280	
	Gross margin dollars	\$ 51.6	\$ 48.2	7.0 %
	Retail sales growth ²	5.8 %	(2.9) %	
	Gasoline volume growth in litres	3.8 %	(3.1) %	
	Comparable store gasoline volume growth in litres ²	3.7 %	(3.0) %	

¹ Revenue reported for CTR, SportChek, Mark's and Petroleum for the 13 weeks ended March 29, 2025 includes inter-segment revenue of \$2.8 million (2024 – \$0.9 million). Therefore, in aggregate, revenue for CTR, SportChek, Mark's, and Petroleum will not equal total revenue for the Retail segment.

² For further information about this measure see Section 9.2 of this MD&A.

³ Comparable sales growth excludes Petroleum.

⁴ Retail ROIC is calculated on a rolling 12-month basis based on normalized earnings.

⁵ This is a non-GAAP financial measure. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

⁶ Revenue includes revenue from Canadian Tire, PartSource, PHL, Party City and Franchise Trust.

⁷ Store count includes stores from Canadian Tire, and other banner stores of 169 (2024: 161 stores). Other banners include PartSource, PHL, and Party City.

⁸ Sales per square foot figures are calculated on a rolling 12-month basis. Retail space excludes seasonal outdoor garden centres, auto service bays, warehouse, and administrative space.

⁹ Retail sales growth includes sales from Canadian Tire, PartSource, PHL, Party City and the labour portion of Canadian Tire's auto service sales.

¹⁰ Sales per square foot figures are calculated on a rolling 12-month basis, include both corporate and franchise stores and warehouse, and administrative space.

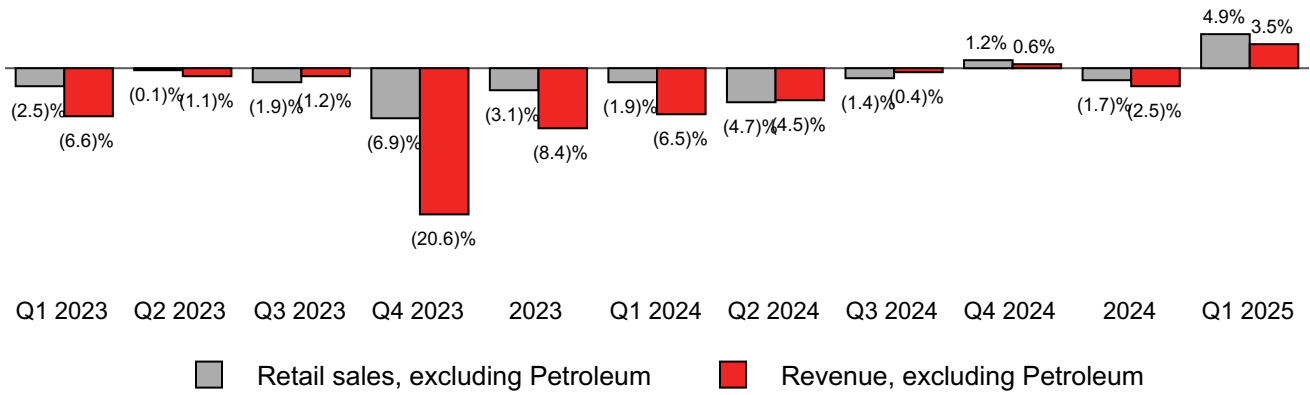
¹¹ Retail sales growth includes sales from both corporate and franchise stores.

¹² Revenue includes the sale of goods to Mark's franchise stores, Retail sales from Mark's corporate stores, Mark's wholesale revenue from its commercial division, and includes ancillary revenue relating to embroidery and alteration services.

¹³ Retail sales growth includes Retail sales from Mark's corporate and franchise stores but excludes revenue relating to alteration and embroidery services.

The following chart shows the Retail segment, excluding Petroleum¹, Retail sales and Revenue from continued operations performance by quarter for the last two years.



Year-over-year Retail Sales and Revenue Growth



¹ For further information about this measure see section 9.2 of this MD&A.

Retail Segment Commentary

Retail income before income taxes was \$(63.2) million, down \$44.9 million from the prior year but up \$69.2 million on a normalized basis driven by favourable gross margin as well as lower net finance costs. Consolidated Retail sales grew across all banners, led by SportChek, with particular strength in Ontario, Quebec and Eastern Canada. Seasonal readiness helped drive sales in weather-related categories. Loyalty penetration¹ was up 132 bps on a rolling 12-month basis, reaching 54.5 percent of Retail sales on a direct scan basis. Retail gross margin was up due to higher revenue.

Q1 2025	
Retail Sales	<p>▲ \$165.5 million or 5.1%</p> <p>▲ 4.7% in Comparable sales growth</p> <ul style="list-style-type: none"> Retail sales were \$3,423.0 million, an increase of 5.1 percent. Excluding Petroleum, Retail sales grew by 4.9 percent, or \$134.6 million compared to the prior year driven by sales growth across all banners due to seasonal readiness in weather-related categories, as weather drove higher trips to stores. <p>eCommerce sales¹ were \$0.9 billion on a rolling 12-month basis, relatively flat to the prior year.</p> <ul style="list-style-type: none"> ▼ CTR Retail sales were up 5.0 percent driven by growth across all divisions, except Fixing. Discretionary categories were up 1.0 percent, mainly due to favourable weather and seasonal readiness in winter-related categories, while essential categories were up 8.2 percent.  Retail sales were up 6.5 percent led by growth in Skiing/Snowboards, Hockey and Outerwear categories.  Retail sales were up 2.6 percent driven by growth in Industrial Wear, Men's Casualwear, and Casual Footwear, partially offset by decline in Ladies Casualwear. ▼ GAS+ Retail sales were up 5.8 percent due to higher gas volumes and higher per litre gas prices.
Revenue	<p>▲ \$117.3 million or 4.0%</p> <p>▲ 3.5% excluding Petroleum</p> <ul style="list-style-type: none"> Retail Revenue was \$3,061.8 million, up \$117.3 million due to higher shipments and sales growth across all banners.
Gross Margin	<p>▲ \$39.3 million or 4.2%</p> <p>▲ 6 bps in gross margin rate</p> <p>▲ 19 bps in gross margin rate, excluding Petroleum¹</p> <ul style="list-style-type: none"> Retail Gross margin dollars were \$977.8 million, an increase of \$39.3 million. Excluding Petroleum¹, Gross margin dollars were \$926.2 million, an increase of \$35.9 million, or 4.0 percent driven by the increase in Revenue previously described. Gross margin rate, excluding Petroleum, was 36.1 percent, an increase of 19 bps primarily due to product margin improvement as well as lower freight costs.
Other Expense (Income)	<p>▲ \$111.1 million or 293.1%</p> <ul style="list-style-type: none"> Excluding the \$114.1 million restructuring and transformation costs, Normalized Other expense (income) was favourable by \$3.0 million.
SG&A	<p>▲ \$3.1 million or 0.4%</p> <ul style="list-style-type: none"> SG&A was \$689.8 million, an increase of \$3.1 million, primarily due to higher real estate costs and marketing spend, partially offset by the timing of IT investments in the True North initiatives.
Depreciation and amortization	<p>▼ \$5.7 million or 2.5%</p> <ul style="list-style-type: none"> Depreciation and amortization decreased by \$5.7 million due to pace of investments compared to the prior year.

¹ For further information about this measure see section 9.2 of this MD&A.

Retail Segment Commentary *(continued)*

Q1 2025	
Net Finance Costs	<p>▼ \$24.3 million or 31.0%</p> <ul style="list-style-type: none"> Net finance costs decreased from the prior year due to lower borrowings and lower rates this year.
Earnings Summary	<p>▼ \$44.9 million or 245.4%</p> <ul style="list-style-type: none"> Income before income taxes decreased by \$44.9 million. Normalized Income before income taxes increased by \$69.2 million, attributable to the reasons above.

4.2.3 Retail Segment Seasonal Trend Analysis

Quarterly Revenue and Income (loss) before income taxes are affected by seasonality. The following table shows the Retail's segment financial performance of the Company from continued operations by quarter for the last two years.

(C\$ in millions)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Retail sales	\$ 3,423.0	\$5,380.5	\$4,539.5	\$5,000.2	\$3,257.5	\$5,323.4	\$4,639.3	\$5,214.9	\$3,326.5
Revenue	3,061.8	3,816.7	3,591.9	3,617.5	2,944.5	3,796.0	3,648.3	3,760.4	3,129.5
Income (loss) before income taxes	(63.2)	376.2	162.2	181.2	(18.3)	121.6	238.9	98.7	(96.0)

4.3 Financial Services Segment Performance**4.3.1 Financial Services Segment Financial Results**

(C\$ in millions)	Q1 2025	Q1 2024	Change
Revenue	\$ 395.6	\$ 389.0	1.7 %
Gross margin dollars	\$ 191.7	\$ 189.9	1.0 %
Gross margin rate ¹	48.5 %	48.8 %	(35) bps
Other expense (income)	\$ 1.2	\$ 0.5	140.3 %
Selling, general and administrative expenses	94.7	96.6	(1.9) %
Depreciation and amortization	1.7	2.4	(28.8) %
Net finance costs (income)	(2.9)	(5.3)	(44.7) %
Income before income taxes	\$ 97.0	\$ 95.7	1.4 %

¹ For further information about this measure see Section 9.2 of this MD&A.

Financial Services Segment Commentary

Financial Services segment Income before income taxes was \$97.0 million in the quarter, a \$1.3 million increase from the prior year. Higher revenue, mainly attributable to higher interest income, was partially offset by increases in net write-offs and funding costs, as expected. The Past Due Credit Card Receivables (PD2+)¹ rate remained stable, ending the quarter 7 bps higher than the prior year. The Expected Credit Loss (ECL) allowance for loans receivable remained flat to Q4 2024, finishing at \$935.4 million.

Q1 2025	
Revenue	<p>▲ \$6.6 million or 1.7%</p> <ul style="list-style-type: none"> Revenue for the quarter was \$395.6 million, an increase of \$6.6 million, or 1.7 percent compared to the prior year due primarily to growth in interest income.
Gross Margin Dollars	<p>▲ \$1.8 million or 1.0%</p> <ul style="list-style-type: none"> Gross margin dollars were \$191.7 million, an increase of \$1.8 million, or 1.0 percent from the prior year. The increase was mainly due to Revenue growth, partially offset by higher net impairment and funding costs, as expected.
SG&A	<p>▼ \$1.9 million or 1.9%</p> <ul style="list-style-type: none"> SG&A was \$94.7 million, a decrease of \$1.9 million, or 1.9 percent from the prior year primarily due to lower personnel and marketing expenses, partially offset by higher volume driven costs.
Earnings Summary	<p>▲ \$1.3 million or 1.4%</p> <ul style="list-style-type: none"> Income before income taxes was \$97.0 million, an increase of \$1.3 million, or 1.4 percent from the prior year attributable to the reasons noted above.

¹ This is a non-GAAP ratio. For further information and a detailed reconciliation see section 9.1 of this MD&A.

4.3.2 Financial Services Segment Key Performance Measures

(C\$ in millions, except where noted)	Q1 2025	Q1 2024	Change
Credit card sales growth ¹	3.6 %	(0.6) %	
GAAR ¹	\$ 7,402	\$ 7,284	1.6 %
Revenue (as a percentage of GAAR) ^{1,2}	21.2 %	21.1 %	
Average number of accounts with a balance (thousands)	2,279	2,293	(0.6) %
Average account balance ¹ (whole \$)	\$ 3,248	\$ 3,177	2.3 %
Net credit card write-off rate ^{1,2}	7.1 %	6.4 %	
Past due credit card receivables rate	3.7 %	3.6 %	
Allowance rate	12.7 %	12.8 %	
Return on receivables ^{1,2}	4.9 %	5.0 %	
Share of tender ^{1,2}	13.2 %	13.0 %	
eCTM issued to CTB credit card holders ^{1,2}	\$ 295.1	\$ 276.0	6.9 %

¹ For further information about this measure see Section 9.2 of this MD&A.

² Figures are calculated on a rolling 12-month basis.

Financial Services Segment Scorecard

Q1 2025 vs. Q1 2024	
Growth	<ul style="list-style-type: none"> ▲ 3.6% in credit card sales growth ▲ 1.6% in GAAR ▼ 0.6% in average number of accounts with a balance ▲ 2.3% in average account balance ▲ 14 bps in share of tender ▲ 6.9% eCTM issued to CTB credit card holders <ul style="list-style-type: none"> • Credit card sales increased by 3.6 percent over the prior year led by higher spend at both Retail segment banners and external merchants partially offset by lower Petroleum sales. • GAAR increased by 1.6 percent over last year driven by continued cardholder engagement, which resulted in increased account balances, up 2.3 percent, on strong credit card sales activity during the quarter. • Strong card sales and cardholder engagement drove increased eCTM issuance over the prior year and a 14 bps increase in share of tender at Retail segment banners.
Performance	<ul style="list-style-type: none"> ▼ 11 bps in return on receivables ▲ 2 bps in Revenue as a percentage of GAAR <ul style="list-style-type: none"> • Return on receivables decreased by 11 bps compared to the prior year as growth in GAAR outpaced the growth in earnings on a 12-month basis. • Revenue as a percentage of GAAR increased by 2 bps compared to the prior year as revenue growth outpaced growth in GAAR.
Operational metrics	<ul style="list-style-type: none"> ▲ 7 bps in PD2+ rate ▲ 61 bps in net credit card write-off rate ▼ 12.7% allowance rate, down 2 bps <ul style="list-style-type: none"> • The PD2+ rate remained stable, finishing 7 bps higher than the prior year. • The increase in the net write-off rate compared to the prior year was driven by an expected increase in net write-off dollars relative to receivable growth. The net write-off rate was flat to Q4 2024. • The allowance rate was flat to the prior year, remaining within the previously disclosed range of 11.5 to 13.5 percent.

4.3.3 Financial Services Segment Seasonal Trend Analysis

Quarterly operating net income and revenue are affected by seasonality. The following table shows the financial performance of the segment by quarter for the last two years.

(C\$ in millions)	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	\$ 395.6	\$ 388.9	\$ 399.1	\$ 383.2	\$ 389.0	\$ 379.9	\$ 393.1	\$ 364.5	\$ 369.8
Income before income taxes	97.0	67.5	110.3	88.5	95.7	85.2	125.7	55.4	118.7

4.4 CT REIT Segment Performance

4.4.1 CT REIT Segment Financial Results

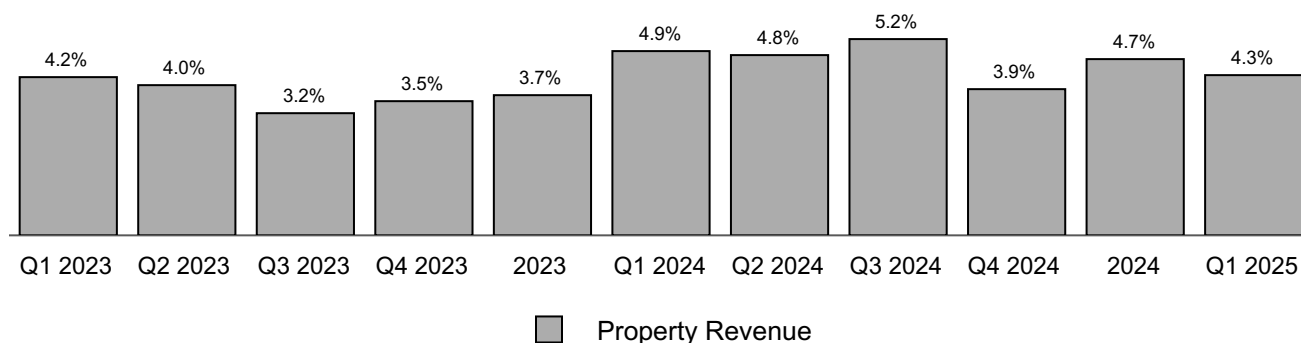
(C\$ in millions)	Q1 2025	Q1 2024	Change
Property revenue ¹	\$ 150.4	\$ 144.2	4.3 %
Property expense ¹	33.6	31.9	5.4 %
General and administrative expense (G&A)	4.7	4.9	(13.0) %
Net finance costs	31.4	29.9	5.9 %
Fair value (gain) loss adjustment ²	(24.8)	(23.6)	5.1 %
Income before income taxes	\$ 105.5	\$ 101.1	4.4 %
Adjustment from fair value to amortized cost method on Investment property			
Fair value gain (loss) adjustment	24.8	23.6	5.1 %
Depreciation and impairment loss	20.9	19.9	5.0 %
Income before income taxes, applying CTC accounting policies	\$ 59.8	\$ 57.6	3.8 %

¹ For further information about this measure see Section 9.2 of this MD&A.

² Fair value is eliminated on consolidation.

The following shows the CT REIT year-over-year Property revenue performance by quarter for the last two years.

Year-over-year Property Revenue Growth



CT REIT Segment Commentary

CT REIT segment income increased \$2.2 million due to higher Property revenue, and lower general and administrative expenses, partially offset by higher Property expense and Net finance costs during the quarter.

Q1 2025	
Property Revenue	<p>▲ \$6.2 million or 4.3%</p> <ul style="list-style-type: none"> Property revenue was \$150.4 million, an increase of \$6.2 million, or 4.3 percent. The increase was mainly due to property acquisitions, intensifications and developments completed during 2024, contractual rent escalations, property operating expense recoveries and development fee revenue.
Property Expense	<p>▲ \$1.7 million or 5.4%</p> <ul style="list-style-type: none"> Property expense was \$33.6 million, an increase of \$1.7 million, or 5.4 percent due to higher property taxes.
G&A	<p>▼ \$0.2 million or 13.0%</p> <ul style="list-style-type: none"> G&A was \$4.7 million, a decrease of \$0.2 million, primarily due to the timing of deferred income tax provision, partially offset by mark-to-market of variable compensation expense.
Depreciation	<p>▲ \$1.0 million or 5.0%</p> <ul style="list-style-type: none"> Depreciation was \$20.9 million, an increase of \$1.0 million or 5.0 percent due to property acquisitions, intensifications, and developments completed during 2024.
Net Finance Costs	<p>▲ \$1.5 million or 5.9%</p> <ul style="list-style-type: none"> Net finance costs were \$31.4 million, an increase of \$1.5 million or 5.9 percent, driven by higher Credit Facilities interest costs due to a higher outstanding balance, higher interest rates on Series 4 Class C LP Units refinanced in Q2 2024, partially offset by higher capitalized interest on properties under development.
Earnings Summary	<p>▲ \$2.2 million or 3.8%</p> <ul style="list-style-type: none"> Income before income taxes was \$59.8 million, an increase of \$2.2 million or 3.8 percent attributable to the reasons above.

4.4.2 CT REIT Segment Key Performance Measures

(C\$ in millions)	Q1 2025	Q1 2024	Change
Net operating income ¹	\$ 118.7	\$ 113.5	4.6 %
Funds from operations ¹	81.1	78.2	3.7 %
Diluted funds from operations per unit ¹	\$ 0.342	\$ 0.331	3.3 %
Adjusted funds from operations ¹	76.1	72.6	4.7 %
Diluted adjusted funds from operations per unit ¹	\$ 0.320	\$ 0.308	3.9 %

¹ This measure is a non-GAAP financial measure. For further information and a detailed reconciliation see Section 9.1.6 of this MD&A.

Net Operating Income (NOI)

NOI for the quarter increased by 4.6 percent compared to the prior year primarily due to the increase in same property NOI, coupled with an increase in NOI due to properties acquired, intensified, and developed in 2024, and development fee revenue.

Funds from Operations (FFO)

FFO for the quarter increased by 3.7 percent compared to the prior year, primarily due to the acquisition, intensifications and developments completed during 2024, as well as development fee revenue, partially offset by higher interest costs.

Adjusted Funds from Operations (AFFO)

AFFO for the quarter increased by 4.7 percent compared to the prior year, primarily due to the acquisition, intensifications and developments completed during 2024, rent escalations, and development fee revenue, partially offset by higher interest costs.

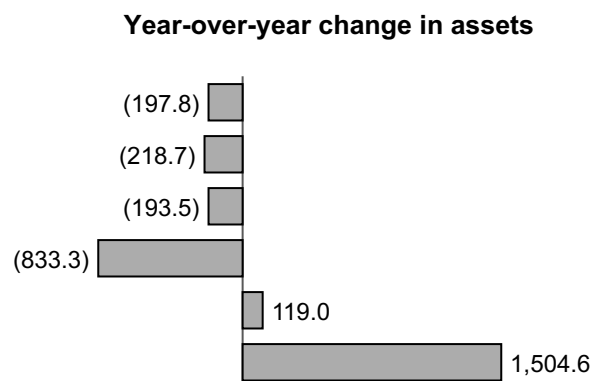
5.0 Balance Sheet Analysis, Liquidity, and Capital Resources

5.1 Selected Balance Sheet Highlights

Selected line items from the Company's assets and liabilities, as at March 29, 2025 and the year-over-year change versus March 30, 2024, are noted below. As at March 29, 2025, the assets and liabilities of Helly Hansen have been classified as held for sale, however the prior year comparatives have not been restated.

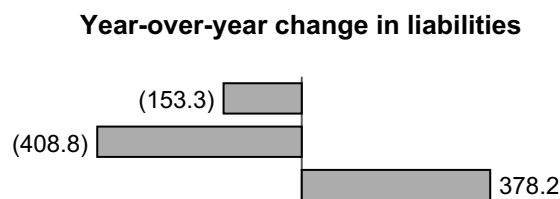
Change in Total assets	▲	\$	225.5
-------------------------------	----------	-----------	--------------

Selected Asset	March 29, 2025
Cash and cash equivalents	395.1
Trade and other receivables	1,249.6
Merchandise inventories	2,589.0
Goodwill and intangible assets	1,367.7
Property and equipment	5,371.9
Assets classified as held for sale and discontinued operations	1,523.4



Change in Total liabilities	▼	\$	225.9
------------------------------------	----------	-----------	--------------

Selected Liabilities	March 29, 2025
Short-term borrowings	1,028.4
Long-term debt (current and long-term portion)	4,556.8
Liabilities associated with discontinued operations	378.2



Assets		
Cash and cash equivalents	▼ \$197.8 million	Refer to Section 5.2 and Condensed Interim Consolidated Statements of Cash Flows for further details.
Trade and other receivables	▼ \$218.7 million	The decrease was primarily due to the presentation of Helly Hansen's receivables in Assets classified as held for sale and discontinued operations in addition to timing and collection of receivables in other business units.
Merchandise inventories	▼ \$193.5 million	Inventory was down given Helly Hansen inventory is presented in Assets classified as held for sale and discontinued operations in the current period.
Goodwill and intangible assets	▼ \$833.3 million	The decrease was attributable to the reclassification of Helly Hansen as a discontinued operation.
Property and equipment	▲ \$119.0 million	The year-over-year increase was primarily driven by store and supply chain investments, including the Company's Metro Vancouver Distribution Centre set to open in 2025.
Assets classified as held for sale and discontinued operations	▲ \$1,504.6 million	The increase was attributable to the reclassification of Helly Hansen as a discontinued operation. Refer to Note 3 of the Condensed Interim Consolidated Financial Statement for further details.
Liabilities		
Short-term borrowings	▼ \$153.3 million	The decrease is mainly due to the repayment of the balance at the end of the prior year, partially offset by the Retail segment seasonal working capital requirements, timing of cash tax payments and share buybacks.
Long-term debt (current and long-term portion)	▼ \$408.6 million	The decrease was primarily due to the early repayment of the \$400 million term loan in December 2024.
Liabilities associated with discontinued operations	▲ \$378.2 million	The increase was attributable to the reclassification of Helly Hansen as a discontinued operation. Refer to Note 3 of the Condensed Interim Consolidated Financial Statement for further details.

Selected line items from the Company's assets and liabilities, as at March 29, 2025 and the change versus December 28, 2024, are noted below. The prior year comparatives have not been restated for the discontinued operations of Helly Hansen.

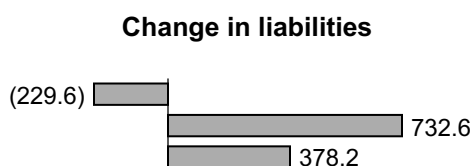
Change in Total assets ▲ \$ **411.0**

Selected Assets	March 29, 2025
Goodwill and intangible assets	1,367.7
Loans receivable (current portion)	6,426.9
Assets classified as held for sale and discontinued operations	1,523.4



Change in Total liabilities ▲ \$ **596.8**

Selected Liabilities	March 29, 2025
Trade and other payables	2,701.8
Short-term borrowings	1,028.4
Liabilities associated with discontinued operations	378.2



Assets		
Goodwill and intangible assets	▼ \$808.5 million	The decrease is attributable to the reclassification of Helly Hansen as a discontinued operation.
Loans receivable (current portion)	▼ \$270.6 million	The decrease was due to seasonality of the credit card portfolio in the Financial Services Segment.
Assets classified as held for sale and discontinued operations	▲ \$1,519.6 million	The increase is attributable to the reclassification of Helly Hansen as a discontinued operation. Refer to Note 3 of the Condensed Interim Consolidated Financial Statement for further details.

Liabilities		
Trade and other payables	▼ \$229.6 million	The decrease was primarily due to the presentation of Helly Hansen's payables in Liabilities associated with discontinued operation and timing and volume of payments related to purchases in other business units.
Short-term borrowings	▲ \$732.6 million	The increase was mainly due to the Retail Segment seasonal working capital requirements, timing of cash tax payments and share buybacks.
Liabilities associated with discontinued operations	▲ \$378.2 million	The increase was attributable to the reclassification of Helly Hansen as a discontinued operation. Refer to Note 3 of the Condensed Interim Consolidated Financial Statement for further details.

5.2 Summary Cash Flows

Selected line items from the Company's Condensed Interim Consolidated Statements of Cash Flows from both continuing and discontinued operations for the quarters ended March 29, 2025 and March 30, 2024 are noted in the following table:

(C\$ in millions)	Q1 2025	Q1 2024	Change
Cash generated from (used for) operating activities	\$ (303.0)	\$ 151.9	\$ (454.9)
Cash generated from (used for) investing activities	(183.5)	(125.4)	(58.1)
Cash generated from (used for) financing activities	406.0	255.2	150.8
Cash generated (used) in the period	\$ (80.5)	\$ 281.7	\$ (362.2)

Q1 2025	
Operating activities	<p>▼ \$454.9 million change</p> <ul style="list-style-type: none"> The increase in cash used for operating activities was primarily driven by changes in working capital and income taxes paid as compared to Q1 2024.
Investing activities	<p>▼ \$58.1 million change</p> <ul style="list-style-type: none"> The increase in cash used for investing activities was primarily due to higher Acquisition of short-term and long-term investments, partially offset by reduced Additions to property and equipment, investment property, and intangible assets as compared to Q1 2024.
Financing activities	<p>▲ \$150.8 million change</p> <ul style="list-style-type: none"> The increase in cash generated from financing activities was primarily due to higher Net issuance of short-term borrowings, partially offset by reduced funding from Deposits and higher repurchase of Class A Non-Voting shares as compared to Q1 2024.

5.3 Capital Management

The Company's capital management objectives are as follows:

- ensure sufficient liquidity to meet financial obligations when due and execute operating and strategic plans;
- maintain healthy liquidity reserves with the ability to access additional capital from multiple sources, if required; and
- minimize after-tax cost of capital while considering key risks outlined in Section 10.0 of this MD&A, including current and future industry, market, and economic conditions.

5.3.1 Canadian Tire Bank's Regulatory Environment

CTB manages its capital according to guidelines established by the Office of the Superintendent of Financial Institutions of Canada (OSFI). These guidelines are based on the Basel III framework, developed by the International Basel Committee on Banking Supervision. Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems, which has been in effect in Canada since January 1, 2013, aims to strengthen regulation, supervision, and risk management in the banking sector. To comply with these regulations, CTB has implemented several capital policies, procedures, and controls. One key component is the annual Internal Capital Adequacy Assessment Process (ICAAP). These measures support the Bank in achieving its goals and objectives.

The Bank's objectives include maintaining adequate levels of capital to:

- meet all applicable regulatory requirements;
- maintain and reinforce confidence in the safety and soundness of the Bank;
- support growth in assets and liabilities; and
- offset unexpected operating and investment losses and volatility.

As at the end of Q1 2025, the Bank complied with all regulatory capital requirements established by OSFI, and its internal targets as determined by its ICAAP.

5.4 Investing

5.4.1 Capital Expenditures

The Company's capital expenditures for the periods ended March 29, 2025 and March 30, 2024 were as follows:

(C\$ in millions)	Q1 2025		Q1 2024	
Fulfilment and systems modernization	\$	30.1	\$	24.8
Omnichannel customer experience		11.3		19.6
Store investments		69.0		74.7
Operating capital expenditures¹	\$	110.4	\$	119.1
CT REIT acquisitions and developments excluding vend-ins from CTC		5.5		2.3
Total capital expenditures²	\$	115.9	\$	121.4

¹ This measure is a non-GAAP financial measure. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

² Capital expenditures are presented on an accrual basis and include software additions, but exclude right-of-use asset additions, acquisitions relating to business combinations, intellectual properties, and tenant allowances received.

Q1 2025	
Total capital expenditures	<p>▼ \$5.5 million</p> <ul style="list-style-type: none"> The Company's operating capital expenditures and total capital expenditures were \$110.4 million and \$115.9 million respectively, a decrease of \$8.7 million and \$5.5 million from the prior year. The decrease was driven mainly by the timing of spend.

Capital Commitments

The Company had commitments of approximately \$90.5 million as at March 29, 2025 (March 30, 2024 – \$142.3 million) for the acquisition of tangible and intangible assets.

Operating Capital Expenditures

The following contains forward-looking information and readers are cautioned that actual results may vary.

The Company plans to fund the True North strategy, sustain the business, and ensure disciplined capital allocation. 2025 full-year operating capital expenditures are expected to be towards the upper end of its previously disclosed range of \$525.0 million to \$575.0 million.

5.5 Liquidity and Financing

Management is focused on ensuring that the Company has sufficient liquidity by maintaining a strong balance sheet and the ability to access additional capital from multiple sources. Various alternative liquidity sources are available to its Retail, Financial Services, and CT REIT segments to meet their financial obligations when due and to execute their operating and strategic plans.

As at March 29, 2025

(C\$ in millions)	Consolidated	Retail	Financial Services	CT REIT
Cash and cash equivalents	\$ 395.1	\$ 89.3	\$ 302.6	\$ 3.2
Short-term investments	194.1	—	194.1	—
Total net cash and cash equivalents and short-term investments¹	\$ 589.2	\$ 89.3	\$ 496.7	\$ 3.2
Committed Bank Lines of Credit	3,675.0	2,975.0	400.0	300.0
Less: Borrowings outstanding ²	—	—	—	—
Less: U.S. commercial paper outstanding	735.9	735.9	—	—
Less: Letters of credit outstanding	2.5	—	—	2.5
Available Committed Bank Lines of Credit	\$ 2,936.6	\$ 2,239.1	\$ 400.0	\$ 297.5
Liquidity¹	\$ 3,525.8	\$ 2,328.4	\$ 896.7	\$ 300.7

¹ This measure is a non-GAAP financial measure with no standardized meaning under IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other issuers.

² For further information about this measure see Section 9.2 of this MD&A.

The Company ended the quarter with \$589.2 million in cash and short-term investments, net of bank indebtedness, and \$3.5 billion in liquidity with \$2.3 billion, \$896.7 million, and \$300.7 million at its Retail, Financial Services, and CT REIT segments, respectively.

The Company ended the quarter with \$735.9 million of USCP short-term borrowings in the Retail segment with no external borrowings in the CT REIT and Financial Services segments. Other Short-term borrowings include \$292.5 million of Glacier Credit Card Trust (GCCT) asset-backed commercial paper notes.

As at Q1 2025, CTC, CT REIT, CTB, and Helly Hansen each complied with all financial covenants under the agreements for the committed bank lines of credit listed in the following Financing Sources table:

Financing Sources

Committed Bank Lines of Credit and Securitized Note Purchase Facility	<ul style="list-style-type: none"> • Provided by a syndicate of eight Canadian and two international financial institutions, \$1.975 billion in an unsecured bank line of credit is available to the Retail segment for general corporate purposes, expiring in May 2029. As of March 29, 2025, the Retail segment had no borrowings outstanding on this bank line of credit. • Provided by a syndicate of five Canadian financial institutions, \$1.0 billion in an unsecured bank line of credit is available to the Retail segment for general corporate purposes, expiring in May 2025. As of March 29, 2025, there were no borrowings outstanding on this bank line of credit. • Helly Hansen has a 175 million Norwegian Krone (NOK) secured overdraft facility (\$23.9 million of Canadian dollar equivalent) provided by a Norwegian bank, which automatically renewed in January and will expire in January 2026. As of March 29, 2025, Helly Hansen had no borrowings outstanding on its facility. • Provided by a syndicate of seven Canadian financial institutions, \$300 million in an unsecured bank line of credit is available to CT REIT for general business purposes, expiring in May 2029. As of March 29, 2025, CT REIT had no borrowings outstanding on its bank line of credit. • As of March 28, 2025, CTB had a \$400 million unsecured bank line from Scotiabank with no borrowings. This unsecured line expired after the quarter. On April 30, 2025, a new \$300 million secured line of credit from RBC became effective, expiring in April 2028.
---	--

	<ul style="list-style-type: none"> As of April 30, 2025, CTB has a \$1.2 billion note purchase facility (NPF) from RBC for the purchase of senior and subordinated credit card asset-backed notes issued by GCCT. This facility also expires in April 2028 and replaces the previous \$700 million NPF from Scotiabank, which was terminated during the quarter.
Commercial Paper Programs	<ul style="list-style-type: none"> CTC has a U.S. dollar-denominated commercial paper program (U.S. CP) that allows it to issue up to a maximum of US \$1.0 billion of unsecured short-term promissory notes in the United States. Terms to maturity for the promissory notes range from one to 270 days from the date of issue. Notes are issued at a discount and rank equally in right of payment with all other present and future unsecured and unsubordinated obligations to creditors of CTC. As of March 29, 2025, CTC had \$735.9 million U.S. CP outstanding. Concurrent with its U.S. CP issuances, CTC enters foreign exchange derivatives to hedge the foreign currency risk associated with both the principal and interest components of these borrowings. For accounting purposes, CTC does not designate these debt derivatives as hedges. GCCT has an asset-backed commercial paper (ABCP) program that allows it to issue up to \$300 million of short-term credit card asset-backed promissory notes. As of March 29, 2025, GCCT had \$292.5 million of ABCP notes outstanding.
Medium-Term Notes, Term Loan and Senior Unsecured Debentures	<ul style="list-style-type: none"> As of March 29, 2025, CTC had an aggregate principal amount of \$1,150.0 million of medium-term notes outstanding. As of March 29, 2025, CT REIT had an aggregate principal amount of \$1,425.0 million of senior unsecured debentures outstanding.
Asset-backed Senior and Subordinated Term Notes	<ul style="list-style-type: none"> As of March 29, 2025, GCCT had an aggregate principal amount of \$1,980.0 million of credit card asset-backed term notes outstanding, consisting of \$1,851.3 million principal amount of senior term notes and \$128.7 million principal amount of subordinated term notes.
Broker GIC Deposits	<ul style="list-style-type: none"> GIC deposits continue to be readily available to CTB through broker networks. As of March 29, 2025, CTB held \$2,915.7 million in broker GIC deposits.
Retail Deposits	<ul style="list-style-type: none"> Retail deposits consist of High Interest Savings (HIS) and retail GIC deposits held by CTB, available both within and outside a tax-free savings account. As of March 29, 2025, CTB held \$636.2 million in retail deposits.
Real Estate	<ul style="list-style-type: none"> CTC can undertake strategic real estate transactions involving properties not owned by CT REIT. It also owns an investment in CT REIT in the form of publicly traded CT REIT Units. As of March 29, 2025, CTC had a 68.3 percent effective ownership interest in CT REIT. Additional sources of funding are available to CT REIT, as appropriate, including the ability to access debt and equity markets, subject to the terms and conditions of CT REIT's Declaration of Trust and all applicable regulatory requirements. As of March 29, 2025, CT REIT had an \$8.5 million mortgage outstanding which is secured by an investment property.

5.5.1 Contractual Obligations, Guarantees, and Commitments

For a description of contractual obligations as at December 28, 2024, refer to Section 6.5.1 of the Company's 2024 Annual MD&A. During the quarter, the Company paid a nominal amount to cancel purchase obligations of approximately \$743.5 million disclosed in the Company's 2024 Annual MD&A. Otherwise, there were no significant changes to the outstanding contractual obligations identified at year end, other than those discussed in this document. The Company believes it has the ability to meet its contractual obligations as at March 29, 2025.

For a discussion of the Company's significant guarantees and commitments, refer to Note 35 to the Company's 2024 Consolidated Financial Statements. The Company's maximum exposure to credit risk with respect to such guarantees and commitments is provided in Note 5 to the Company's 2024 Consolidated Financial Statements. There were no significant changes in guarantees and commitments identified at year end, other than those discussed in this document.

6.0 Equity

The following contains forward-looking information and readers are cautioned that actual results may vary.

6.1 Shares Outstanding

(C\$ in millions)	March 29, 2025	March 30, 2024	December 28, 2024
Authorized			
3,423,366 Common Shares			
100,000,000 Class A Non-Voting Shares			
Issued			
3,423,366 Common Shares (March 30, 2024 – 3,423,366; December 28, 2024 – 3,423,366)	\$ 0.2	\$ 0.2	\$ 0.2
51,669,794 Class A Non-Voting Shares (March 30, 2024 – 52,197,823; December 28, 2024 – 52,197,823)	625.6	605.7	625.7
	\$ 625.8	\$ 605.9	\$ 625.9

Each year, the Company files a Notice of Intention to make a normal course issuer bid (NCIB) with the Toronto Stock Exchange (TSX) which allows it to repurchase its Class A Non-Voting Shares on the open market through the facilities of the TSX and/or alternative Canadian trading systems, if eligible, at the market price of the shares at the time of repurchase or as otherwise permitted under the rules of the TSX and applicable securities laws. Shares repurchased by the Company pursuant to the NCIB are restored to the status of authorized but unissued shares. Security holders may obtain a copy of the notice, without charge, by contacting the Corporate Secretary of the Company.

On March 6, 2025, the TSX accepted the Company's Notice of Intention to repurchase up to 4.9 million Class A Non-Voting Shares during the period March 11, 2025 to March 10, 2026 (2025-26 NCIB). Also on March 6, 2025, the TSX accepted a new automatic securities purchase plan (ASPP) which expires on March 10, 2026 (2025-26 ASPP) and which allows a designated broker to execute repurchases under the 2025-26 NCIB during the Company's blackout periods, subject to pre-defined parameters. On February 15, 2024, the TSX accepted the Company's Notice of Intention to repurchase up to 4.9 million Class A Non-Voting Shares during the period March 2, 2024 to March 1, 2025 (2024-25 NCIB).

On November 7, 2024, the Company announced its intention to repurchase up to \$200 million of its Class A Non-Voting Shares, in excess of the amount required for anti-dilutive purposes, in 2025. On March 6, 2025, as part of the announcement of its True North strategy, the Company increased its share repurchase intention of up to \$400 million in 2025, subject to the completion of the sale of Helly Hansen (the 2025 Share Purchase Intention). Any such repurchases will be made under the 2025-26 NCIB. In Q1 2025, \$78.1 million of Class A Non-Voting Shares (528,029 shares) were repurchased under the 2025 Share Purchase Intention.

6.2 Dividends

The Company has a long-term dividend payout ratio¹ target of approximately 30 to 40 percent of the prior year's normalized net income, after considering the period-end cash position, future cash flow requirements, capital market conditions, and investment opportunities. The dividend payout ratio may fluctuate in any particular year.

On November 7, 2024, the Company announced an increase in its annual dividend for the 15th consecutive year, to \$7.10 per Common Voting and Class A Non-Voting Share, an increase of approximately 1.4 percent over 2024. On May 7, 2025, the Company's Board of Directors declared dividends of \$1.775 per share payable on September 1, 2025 to shareholders of record as of July 31, 2025. The dividend is considered an "eligible dividend" for tax purposes.

6.3 Equity Derivative Contracts

The Company transacts equity-derivative contracts to partially offset its exposure to fluctuations in stock options, performance share units, restricted share units, and deferred share units. The Company currently uses floating-rate equity forwards.

During Q1 2025, 190,000 units of equity-forward contracts that hedged stock options, performance share units, restricted share units, and deferred share units settled and resulted in a cash receipt from counterparties of approximately \$1.1 million. The Company entered into 400,000 units of new equity-forward contracts in the first quarter of 2025 with a hedge rate of \$146.93.

7.0 Tax Matters

In the ordinary course of business, the Company is subject to ongoing audits by tax authorities. While the Company has determined that its tax filing positions are appropriate and supportable, from time-to-time certain matters are reviewed and challenged by the tax authorities.

There have been no material changes in the status of ongoing audits by tax authorities as disclosed in Section 8.0 in the Company's 2024 Annual MD&A.

The Company regularly reviews the potential of adverse outcomes with respect to tax matters. The Company believes that the ultimate disposition of these matters will not have a material adverse effect on its liquidity, consolidated financial position or net income as it has determined that there is adequate provision. Should the ultimate tax liability materially differ from the provision, the Company's effective tax rate and its earnings could be affected positively or negatively in the period in which the matters are resolved.

Income taxes for the 13 weeks ended March 29, 2025 were \$4.6 million (2024 – \$23.8 million). The Effective tax rate³ for the 13 weeks ended March 29, 2025 decreased to 8.9 percent (2024 – 23.1 percent), primarily due to favourable adjustments related to prior years' tax settlements. When adjusting for normalizing items², the Effective tax rate for the quarter ended March 29, 2025 was 20.9 percent (2024 – 23.1 percent).

¹ For further information about this measure see Section 9.1 of this MD&A

² Refer to Section 4.1.1 in this MD&A for a description of the normalizing items.

³ This measure is a non-GAAP ratio. For further information and a detailed reconciliation see Section 9.1 of this MD&A.

8.0 Accounting Policies and Estimates

8.1 Critical Accounting Estimates

The Company estimates certain amounts, which are reflected in its condensed interim consolidated financial statements using detailed financial models based on historical experience, current trends, and other assumptions. Actual results could differ from those estimates. In Management's judgment, the accounting estimates and policies detailed in Note 2 and Note 3 to the Company's 2024 Consolidated Financial Statements, do not require Management to make assumptions about matters that are highly uncertain and, accordingly, none of those estimates are considered a "critical accounting estimate" as defined in Form 51-102F1 – *Management's Discussion and Analysis*, published by the Canadian Securities Administrators, except for the allowance for loan impairment in the Financial Services segment.

Details of the accounting policies subject to judgments and estimates that the Company believes could have the most significant impact on the amounts recognized in its condensed interim consolidated financial statements are described in Note 2 to the Company's 2024 Consolidated Financial Statements.

8.2 Changes in Accounting Policies

Standards, Amendments and Interpretations Issued and Adopted

Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates* in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency and in determining the exchange rate to use and the disclosures to provide when it cannot. These amendments are effective for annual reporting periods beginning on or after January 1, 2025. The Company adopted these amendments this year and determined there to be no material impact on the consolidated financial statements.

Standards, Amendments, and Interpretations Issued but not yet Adopted

The following new standards, amendments, and interpretations have been issued but are not effective for the fiscal year ended January 3, 2026 and, accordingly, have not been applied in preparing these interim financial statements.

Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS Accounting Standards 9 – *Financial Instruments* and IFRS Accounting Standards 7 – *Financial Instruments: Disclosures*. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with ESG-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the consolidated financial statements.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS 18 – *Presentation and Disclosure in Financial Statements* that will replace IAS 1 – *Presentation of Financial Statements*. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of management performance measures in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the consolidated financial statements.

Annual Improvements

In July 2024, the IASB issued *IFRS Accounting Standards Annual Improvements – Volume 11*, which clarifies wording, correcting minor consequences, oversights, or conflicts among requirements in the Standards. The amendments affect IFRS 1 - *First-time Adoption of International Financial Reporting Standards*, IFRS 7 - *Financial Instruments: Disclosures*, IFRS 9 - *Financial Instruments*, IFRS 10 - *Consolidated Financial Statements*, and IAS

7 - *Statement of Cash Flows*. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The implementation of these amendments is not expected to have a significant impact on the Company.

Contracts Referencing Nature-dependent Electricity

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 - *Contracts Referencing Nature-dependent Electricity*. The amendments apply only to nature-dependent electricity contracts, which are those that generate variable levels based on uncontrollable factors such as weather conditions. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The amendments are not currently applicable to the Company.

9.0 Non-GAAP Financial Measures and Ratios

Within these financial results, the Helly Hansen results, net of intersegment results, have been presented separately as discontinued operations in the current and comparative results. Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

9.1 Non-GAAP Financial Measures and Ratios

The Company prepares and presents its financial information on a GAAP basis. Management uses many measures to assess performance, including non-GAAP financial measures and non-GAAP ratios. Non-GAAP financial measures and non-GAAP ratios have no standardized meanings under GAAP and may not be comparable to similar measures of other companies.

9.1.1 Normalizing non-GAAP financial measures

Management considers both reported and normalized results and measures useful in evaluating the performance of the core business operations of the Company. Management uses normalized results to assess changes in financial performance across periods on a comparable basis by removing specified items not related to the core business operations of the Company that are infrequent and non-operational in nature. The items, which can include acquisition-related transaction costs, restructuring or discontinued operations costs, operational efficiency program costs, one-time costs for new program rollouts, and infrequent non-operational fair value adjustments, are removed from Cost of producing revenue, SG&A and Other expense (income) where applicable. Explanations of normalizing items can be found in subsection 4.1.1.

Normalized Other Expense (Income)

The following table reconciles Normalized Other expense (income) to Other expense (income), the most directly comparable GAAP measure reported in the consolidated financial statements.

(C\$ in millions)	Q1 2025	Q1 2024
Other expense (income)	\$ 111.9	\$ (0.9)
Less normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Normalized Other expense (income)	\$ (2.2)	\$ (0.9)

Retail Normalized Other Expense (Income)

The following table reconciles Retail Normalized Other expense (income) to Other expense (income), a GAAP measure reported in the consolidated financial statements.

(C\$ in millions)	Q1 2025	Q1 2024
Other expense (income)	\$ 111.9	\$ (0.9)
Less: Other operating segments	38.7	37.0
Retail Other expense (income)	\$ 73.2	\$ (37.9)
Less normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Retail Normalized Other expense (income)	\$ (40.9)	\$ (37.9)

Normalized Income Before Income Taxes

Normalized Income before income taxes is used as an additional measure to assess the Company's underlying operating performance and assists in making decisions regarding the ongoing operations of its business. The following table reconciles Normalized Income before income taxes to Income before income taxes which is a GAAP measure reported in the consolidated financial statements.

(C\$ in millions)	Q1 2025	Q1 2024
Income before income taxes	\$ 51.6	\$ 102.9
Add normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Normalized Income before income taxes	\$ 165.7	\$ 102.9

Retail Normalized Income Before Income Taxes

Retail Normalized Income before income taxes is used as an additional measure to assess the Company's underlying operating performance and assists in making decisions regarding the ongoing operations of its business. The following table reconciles Retail Normalized Income before income taxes to Income before income taxes which is a GAAP measure reported in the consolidated financial statements.

(C\$ in millions)	Q1 2025	Q1 2024
Income before income taxes	\$ 51.6	\$ 102.9
Less: Other operating segments	114.8	121.2
Retail Income (loss) before income taxes	\$ (63.2)	\$ (18.3)
Add normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Retail Normalized Income (loss) before income taxes	\$ 50.9	\$ (18.3)

Normalized Income Tax Expense (Recovery) and Normalized Effective Tax Rate

Management uses Normalized Income tax expense (recovery) to calculate Normalized Net income. The tax effect of normalizing items is calculated by multiplying normalizing items by the statutory tax rate. The following table reconciles Normalized Income tax expense (recovery) to Income tax expense (recovery) which is a GAAP measure reported in the consolidated financial statements.

Normalized effective tax rate is calculated by dividing Normalized Income tax expense (recovery) by Normalized Income before income taxes.

(C\$ in millions)	Q1 2025	Q1 2024
Income tax expense	\$ 4.6	\$ 23.8
Add tax effect of normalizing items:		
Restructuring costs	25.1	—
Other transformation and advisory costs	4.9	—
Normalized Income tax expense (recovery)	\$ 34.6	\$ 23.8

Normalized Net Income, Normalized Net Income Attributable to Shareholders, Normalized Diluted Earnings per Share, and Dividend Payout Ratio

Normalized Net income, Normalized Net income attributable to shareholders, and Normalized Diluted EPS are used as additional measures when assessing the Company's underlying operating performance. The following table reconciles Normalized Net income, Normalized Net income attributable to shareholders and Normalized Diluted EPS to Net income, a GAAP measure reported in the consolidated financial statements.

Dividend payout ratio is calculated by dividing total dividends by the prior year's Normalized Net income.

(C\$ in millions, except per share amounts)	Q1 2025	Q1 2024
Net income	\$ 47.0	\$ 79.1
Net income attributable to shareholders	27.3	59.9
Add normalizing items, net of tax:		
Restructuring costs	70.3	—
Other transformation and advisory costs	13.8	—
Normalized Net income	\$ 131.1	\$ 79.1
Normalized Net income attributable to shareholders	\$ 111.4	\$ 59.9
Normalized Diluted EPS	\$ 2.00	\$ 1.08

9.1.2. EBITDA

EBITDA and related measures

EBITDA, Normalized EBITDA, and Normalized EBITDA as a percentage of Revenue are used as additional measures when assessing the performance of the Company's ongoing operations and its ability to generate cash flows to fund its cash requirements, including capital expenditures. EBITDA and its successive derivations are most directly comparable to Income before income tax, a GAAP measure reported in the consolidated financial statements and is adjusted by deducting Net finance costs (income) and Depreciation and amortization. EBITDA itself is then adjusted for normalizing items.

Normalized EBITDA as a Percentage of Revenue is a non-GAAP Ratio calculated by dividing the Normalized EBITDA by Revenue.

(C\$ in millions)	Q1 2025	Q1 2024
Income before income taxes	\$ 51.6	\$ 102.9
Add:		
Depreciation and amortization ¹	187.1	189.7
Net finance costs (income)	69.6	89.1
EBITDA	\$ 308.3	\$ 381.7
Add normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Normalized EBITDA	\$ 422.4	\$ 381.7

¹ Depreciation and amortization reported in Cost of producing revenue for the 13 weeks ended March 29, 2025 was \$5.3 million (2024 – \$6.7 million).

Retail EBITDA and related measures

Retail EBITDA and Retail Normalized EBITDA are used as additional measures when assessing the performance of the Retail segment's ongoing operations and its ability to generate cash flows to meet requirements, including capital expenditures. Retail EBITDA and its successive derivations are most directly comparable to Income before income tax, a GAAP measure reported in the consolidated financial statements and is adjusted by deducting Net finance costs (income) and Depreciation and amortization. Retail EBITDA is then adjusted for normalizing items.

(C\$ in millions)	Q1 2025	Q1 2024
Income before income taxes	\$ 51.6	\$ 102.9
Less: Other operating segments	114.8	121.2
Retail Income (loss) before income taxes	\$ (63.2)	\$ (18.3)
Add:		
Depreciation and amortization ¹	229.2	236.3
Net finance costs (income)	54.1	78.4
Retail EBITDA	\$ 220.1	\$ 296.4
Add normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Retail Normalized EBITDA	\$ 334.2	\$ 296.4

¹ Depreciation and amortization reported in Cost of producing revenue for the 13 weeks ended March 29, 2025 was \$5.3 million (2024 – \$6.7 million).

9.1.3 Other Consolidated Non-GAAP Financial Measures

Adjusted Net Debt

The following tables present the components of adjusted net debt. The Company believes that Adjusted net debt is relevant in assessing the amount of financial leverage employed.

As at March 29, 2025				
(C\$ in millions)	Consolidated	Retail	Financial Services	CT REIT
Consolidated net debt				
Short-term deposits	\$ 1,221.4	\$ —	\$ 1,221.4	\$ —
Long-term deposits	2,330.5	—	2,330.5	—
Short-term borrowings	1,028.4	736.0	292.4	—
Long-term debt	4,556.8	1,150.9	1,975.5	1,430.4
Total debt	\$ 9,137.1	\$ 1,886.9	\$ 5,819.8	\$ 1,430.4
Cash and cash equivalents ¹	(395.1)	(89.3)	(302.6)	(3.2)
Short-term investments ¹	(194.1)	—	(194.1)	—
Long-term investments ¹	(141.6)	(19.0)	(122.6)	—
Net debt	\$ 8,406.3	\$ 1,778.6	\$ 5,200.5	\$ 1,427.2
Intercompany debt	—	(166.9)	99.7	67.2
Outstanding Class C CT REIT LP units	—	(1,451.6)	—	1,451.6
Adjusted net debt	\$ 8,406.3	\$ 160.1	\$ 5,300.2	\$ 2,946.0

¹ Includes regulatory reserves.

As at March 30, 2024

(C\$ in millions)	Consolidated	Retail	Financial Services	CT REIT
Consolidated net debt				
Short-term deposits	\$ 1,061.8	\$ —	\$ 1,061.8	\$ —
Long-term deposits	2,482.0	—	2,482.0	—
Short-term borrowings	1,181.7	869.7	312.0	—
Long-term debt	4,965.6	1,550.7	1,985.2	1,429.7
Total debt	\$ 9,691.1	\$ 2,420.4	\$ 5,841.0	\$ 1,429.7
Cash and cash equivalents ¹	(592.9)	(73.1)	(469.5)	(50.3)
Short-term investments ¹	(188.6)	—	(188.6)	—
Long-term investments ¹	(68.6)	(8.6)	(60.0)	—
Net debt	\$ 8,841.0	\$ 2,338.7	\$ 5,122.9	\$ 1,379.4
Intercompany debt	—	(75.6)	75.6	—
Outstanding Class C CT REIT LP units	—	(1,451.6)	—	1,451.6
Adjusted net debt	\$ 8,841.0	\$ 811.5	\$ 5,198.5	\$ 2,831.0

¹ Includes regulatory reserves.

Operating Capital Expenditures

Operating capital expenditures is used to assess the resources used to maintain capital assets at their productive capacity. Operating capital expenditures is most directly comparable to the Total additions, a GAAP measure reported in the consolidated financial statements.

(C\$ in millions)	Q1 2025	Q1 2024
Total additions ¹	\$ 96.9	\$ 116.6
Add: Change in accrued additions and other non-cash items	19.0	4.8
Less: CT REIT acquisitions and developments excluding vend-ins from CTC	5.5	2.3
Operating capital expenditures	\$ 110.4	\$ 119.1

¹ This line appears on the Consolidated Statement of Cash Flows under Investing activities.

9.1.4 Other Retail

Retail Return on Invested Capital

Retail ROIC is calculated as Retail return divided by the Retail invested capital. Retail return is defined as trailing 12-month Retail after-tax earnings excluding interest expense, lease related depreciation expense, inter-segment earnings, and any normalizing items. Retail invested capital is defined as Retail segment total assets, less Retail segment trade payables and accrued liabilities and inter-segment balances based on an average of the trailing four quarters. Retail return and Retail invested capital are non-GAAP financial measures, which the Company does not consider useful in isolation. The Company believes that Retail ROIC is useful in assessing the Retail segment's performance relative to shareholder investment.

(C\$ in millions, except where noted)	Q1 2025	Q1 2024
Income before income taxes	\$ 1,123.8	\$ 582.1
Less: Other operating segments	467.4	141.0
Retail Income before income taxes	\$ 656.4	\$ 441.1
Add normalizing items:		
Restructuring costs	95.4	—
Other transformation and advisory costs	18.7	—
Gain on sale of Brampton DC, net of inventory write-down	(222.9)	—
Expenses related to the strategic review of CTFS	8.7	—
Targeted headcount reduction-related charge		19.6
DC fire	—	(56.4)
Retail Normalized Income before income taxes	\$ 556.3	\$ 404.3
Less:		
Retail intercompany adjustments ¹	220.5	212.2
Add:		
Retail interest expense ²	319.8	329.8
Retail depreciation of right-of-use assets	569.8	593.1
Retail effective tax rate	24.5 %	26.3 %
Add: Retail taxes	(299.6)	(293.2)
Retail return	\$ 925.8	\$ 821.8
Average total assets from continuing operations	\$ 20,863.9	\$ 20,734.9
Less: Average assets in other operating segments	4,353.9	4,437.8
Average Retail assets from continuing operations	\$ 16,510.0	\$ 16,297.1
Less:		
Average Retail intercompany adjustments ¹	4,340.6	3,939.0
Average Retail trade payables and accrued liabilities ³	2,654.9	2,604.8
Average Franchise Trust assets	574.9	531.3
Average Retail invested capital	\$ 8,939.6	\$ 9,222.0
Retail ROIC	10.4 %	8.9 %

¹ Intercompany adjustments include intercompany income received from CT REIT which is included in the Retail segment, and intercompany investments made by the Retail segment in CT REIT and CTFS.

² Excludes Franchise Trust.

³ Trade payables and accrued liabilities include Trade and other payables, Short-term derivative liabilities, Short-term provisions and Income tax payables.

9.1.5 Other Financial Services

Past Due Credit Card Receivables Rate

PD2+ rate is calculated by dividing gross credit card receivables that are two cycles or more overdue (30+ days past due) by total gross credit card receivables. Both components exclude allowances and discounts. Gross past due credit card receivables, total gross credit card receivables and PD2+ are non-GAAP financial measures and a non-GAAP ratio, respectively.

The ratio of past due credit card receivables provides Management and investors with an additional measure to assess the quality and health of credit card loan assets. Past due gross credit card receivables and total gross credit card receivables provide insight into the book value of cardholder balances in our portfolio at the reporting date; however, observed in isolation do not provide meaningful information.

(C\$ in millions)	Q1 2025	Q1 2024
Current portion of loans receivable	\$ 6,426.9	\$ 6,405.1
Add: ECL allowance	935.4	925.7
Less:		
Other discounts or adjustments	205.4	169.7
Line of credit and current portion of dealer loans	19.5	78.3
Total gross credit card receivables	\$ 7,137.4	\$ 7,082.8
Less: Loans no more than 30 days past due	6,875.3	6,827.8
Past due gross credit card receivables	\$ 262.1	\$ 255.0

9.1.6 Other CT REIT

CT REIT Net Operating Income

NOI is defined as Property revenue less Property expense adjusted further for straight-line rent. This measure is most directly comparable to Revenue, a GAAP measure reported in the consolidated financial statements. Management believes that NOI is a useful key indicator of performance as it represents a measure of property operations over which Management has control. NOI is also a key input in determining the value of the portfolio. NOI should not be considered as an alternative to Property revenue or Net income and Comprehensive income, both of which are determined in accordance with GAAP.

The following table shows the relationship of NOI to GAAP Revenue and Property expense in CT REIT's Consolidated Statements of Income and Comprehensive Income:

(C\$ in millions)	Q1 2025	Q1 2024
Revenue	\$ 3,456.7	\$ 3,332.8
Less: Other operating segments	3,306.3	3,188.6
CT REIT Property revenue	\$ 150.4	\$ 144.2
Less:		
CT REIT Property expense	33.6	31.9
CT REIT property straight-line rent revenue	(1.9)	(1.2)
CT REIT net operating income	\$ 118.7	\$ 113.5

CT REIT Funds from Operations (FFO) and Adjusted Funds from Operations

Funds from Operations

FFO is a non-GAAP financial measure of operating performance used by the real estate industry, particularly by publicly traded entities that own and operate income-producing properties. This measure is most directly comparable to Net income and Comprehensive income, GAAP measures reported in the consolidated financial statements. FFO should not be considered as an alternative to Net income or Cash flow provided by operating activities determined in accordance with IFRS Accounting Standards. CT REIT calculates its FFO in accordance with Real Property Association of Canada's publication "REALPAC Funds From Operations & Adjusted Funds From Operations for IFRS" (REALPAC FFO & AFFO). The use of FFO, together with the required IFRS Accounting Standards presentations, have been included for the purpose of improving the understanding of the operating results of CT REIT.

Management believes that FFO is a useful measure of operating performance that, when compared period over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and property taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from Net income determined in accordance with IFRS Accounting Standards.

FFO adds back items to Net income that do not arise from operating activities, such as fair-value adjustments. FFO, however, still includes non-cash revenues relating to accounting for straight-line rent and makes no deduction for the recurring capital expenditures necessary to sustain the existing earnings stream.

Adjusted Funds from Operations

AFFO is a non-GAAP financial measure of recurring economic earnings used in the real estate industry to assess an entity's distribution capacity. This measure is most directly comparable to Net income and Comprehensive income, GAAP measures reported in the consolidated financial statements. AFFO should not be considered as an alternative to Net income or Cash flows provided by operating activities determined in accordance with IFRS Accounting Standards. CT REIT calculates its AFFO in accordance with REALPAC's FFO and AFFO.

CT REIT calculates AFFO by adjusting FFO for non-cash income and expense items such as amortization of straight-line rents. FFO is also adjusted as a reserve for maintaining productive capacity required for sustaining property infrastructure and revenue from real estate properties and direct leasing costs. As property capital expenditures do not occur evenly during the fiscal year or from year to year, the capital expenditure reserve in the AFFO calculation, which is used as an input in assessing the REIT's distribution payout ratio, is intended to reflect an average annual spending level. The reserve is primarily based on average expenditures determined by building condition reports prepared by independent consultants.

Management believes that AFFO is a useful measure of operating performance similar to FFO as described, adjusted for the impact of non-cash income and expense items.

The following table reconciles GAAP Income before income taxes to FFO and further reconciles FFO to AFFO:

(C\$ in millions)	Q1 2025	Q1 2024
Income before income taxes	\$ 51.6	\$ 102.9
Less: Other operating segments	(53.9)	1.8
CT REIT income before income taxes	\$ 105.5	\$ 101.1
Add:		
CT REIT fair value (gain) loss adjustment	(24.8)	(23.6)
CT REIT deferred taxes	(0.2)	0.9
CT REIT lease principal payments on right-of-use assets	(0.1)	(0.2)
CT REIT fair value of equity awards	0.2	(0.4)
CT REIT internal leasing expense	0.5	0.4
CT REIT funds from operations	\$ 81.1	\$ 78.2
Less:		
CT REIT properties straight-line rent revenue	(1.9)	(1.2)
CT REIT direct leasing costs	0.2	0.3
CT REIT capital expenditure reserve	6.7	6.5
CT REIT adjusted funds from operations	\$ 76.1	\$ 72.6

Diluted FFO per unit and Diluted AFFO per unit

Diluted FFO per unit and Diluted AFFO per unit are calculated by dividing FFO or AFFO by the weighted average number of units outstanding on a diluted basis. Management believes that these measures are useful to investors to assess the effect of this measure as it relates to their holdings.

(C\$ in millions)	Q1 2025	Q1 2024	Change
CT REIT funds from operations	\$ 81.1	\$ 78.2	3.7 %
Weighted average number of units outstanding on a diluted basis ¹	237.4	236.0	
Diluted CT REIT funds from operations per unit	\$ 0.342	\$ 0.331	3.3 %

¹ Diluted units include restricted and deferred units issued under various plans and exclude the effects of settling

(C\$ in millions)	Q1 2025	Q1 2024	Change
CT REIT adjusted funds from operations	\$ 76.1	\$ 72.6	4.7 %
Weighted average number of units outstanding on a diluted basis ¹	237.4	236.0	
Diluted CT REIT adjusted funds from operations per unit	\$ 0.320	\$ 0.308	3.9 %

¹ Diluted units include restricted and deferred units issued under various plans and exclude the effects of settling

9.2 Supplementary Financial Measures

Average Account Balance

Average account balance measures average aggregate account balances in the credit card portfolio, excluding lines of credit and personal loans, divided by the average number of credit card accounts, for the applicable period.

Borrowings Outstanding

Borrowings outstanding represents drawdowns from committed bank lines of credit.

Credit Card Sales and Credit Card Sales Growth

Credit card sales is a measure of the net sales charged to credit cards. Credit card sales growth excludes balance transfers and represents year-over-year percentage change.

Comparable Sales

Comparable sales is commonly used in the retail industry to identify sales growth generated by a Company's existing store network and removes the effect of opening and closing stores in the period. The calculation includes sales from all stores that have been open for a minimum of one year and one week, as well as eCommerce sales. Comparable sales do not form part of the Company's consolidated financial statements. Management applies this measure to Consolidated results (including and excluding Petroleum), the Retail segment (including and excluding Petroleum), and all banners under the Retail segment (including but not limited to Canadian Tire Retail, SportChek and Mark's).

Cost of Debt

Cost of debt represents the weighted average finance costs as a percentage of total short-term and long-term debt during the period.

eCommerce Sales

eCommerce sales refers to sales generated by the Company's online presence. Only eCommerce sales from corporate stores are included in the Company's consolidated financial statements. Management applies this measure to Consolidated results, the Retail segment, and banners under the Retail segment.

ECL Allowance Rate

This measure is the total allowance for expected credit losses as a percentage of total gross loans receivable for the Financial Services segment.

eCTM Issued to CTB Credit Card Holders

eCTM issued to CTB credit card holders measures the amount of eCTM issued to CTB credit card holders based on their purchases at the Company's banners, partners and external retailers. This measure is calculated on a rolling 12-month basis.

Effective Tax Rate

Effective tax rate is the tax expense for the period divided by the income before income taxes for the same period.

Gross Average Accounts Receivable

GAAR is the average accounts receivable from credit cards, personal loans, and lines of credit, before allowances for expected credit losses. Measures using GAAR apply only to the Financial Services segment.

Gross Margin Rate

Gross margin rate is gross margin divided by revenue.

Gross Margin Dollars excluding Petroleum and Gross Margin Rate excluding Petroleum

Gross margin dollars excluding Petroleum captures gross margin dollars in the consolidated entity or Retail segment, as measured according to the Company's IFRS Accounting Standards accounting policy, while excluding gross margin dollars from Petroleum sales. Gross margin rate excluding Petroleum is calculated by dividing gross margin excluding Petroleum by revenue excluding Petroleum.

Interest Expense

Interest expense represents the finance cost of short-term and long-term debt, which includes lines of credit, medium-term notes, debentures, and senior and subordinated term notes. This metric excludes deposits held by CTB, Franchise Trust indebtedness, and lease liability interest.

Loyalty Sales and Loyalty Penetration

Loyalty penetration is Retail sales attributable to Triangle Rewards members from banners eligible for eCTM issuance in which loyalty or Triangle credit cards are scanned at point-of-sale (Loyalty sales), divided by Retail sales from those banners, over a rolling 12-month period.

Net Credit Card Write-off Rate

Net credit card write-off rate measures write-offs of credit card balances only, net of recoveries for the past twelve months, as a percentage of the credit card GAAR.

Owned Brands Penetration

Owned Brands penetration is calculated by dividing sales of Owned Brands by Retail sales.

Personalized Sales

Personalized sales are Retail sales made to loyalty members through personalized offers.

Property Revenue

Property revenue includes all amounts earned from tenants pursuant to lease agreements including property taxes, operating costs, and other recoveries.

Property Expense

Property expense consists primarily of property taxes, operating costs, and property management costs (including any outsourcing of property management services).

Retail Sales

Retail sales refers to the point-of-sale value of all goods and services sold to retail customers at stores operated by Dealers, Mark's and SportChek franchisees, and Petroleum retailers, at corporately-owned stores across all banners under the Retail segment, services provided as part of the Home Services offering, and of goods sold through the Company's online sales channels, that in aggregate do not form part of the Company's consolidated financial statements. Management applies this measure to Consolidated results (including and excluding Petroleum), the Retail segment (including and excluding Petroleum), and all banners under the Retail segment (including but not limited to Canadian Tire Retail, SportChek, Mark's, Canadian Tire Gas+, and Owned Brands).

Retail SG&A Rate and Retail SG&A as a Percentage of Revenue excluding Petroleum

Retail SG&A rate is calculated by dividing Retail SG&A by Retail revenue. Retail SG&A as a percentage of revenue excluding Petroleum is calculated by dividing Retail SG&A by Retail revenue excluding Petroleum.

Return on Receivables (ROR)

ROR assesses the profitability of the Financial Services' total portfolio of receivables. ROR is calculated by dividing Financial Services' income before income tax and gains/losses on disposal of property and equipment by the average of Financial Services' total-managed portfolio over a rolling 12-month period.

Revenue as Percentage of GAAR

Revenue as percentage of GAAR for the Financial Services segment is the rolling 12-month revenue divided by gross average accounts receivable.

Revenue Excluding Petroleum

Revenue excluding Petroleum captures revenue in the consolidated entity and Retail segment, as measured according to the Company's IFRS Accounting Standards accounting policy, while excluding revenues from petroleum sales.

Sales per Square Foot

Comparisons of sales per square foot metrics over several periods help identify whether existing assets are being made more productive by the Company's introduction of new store layouts and merchandising strategies. Sales per square foot is calculated on a rolling 12-month basis for the Retail segment. This calculation includes the period in which stores were temporarily closed. For Canadian Tire, retail space does not include seasonal outdoor garden centres, auto service bays, warehouses, and administrative space. For SportChek and Mark's, it includes both corporate and franchise stores and warehouse and administrative space.

Share of Tender

Share of tender measures the percentage of Retail sales from the Company's major banners charged on a CTB credit card (in lieu of cash, debit or a competing credit card for purchases) divided by total Retail sales from the same banners. Share of tender is calculated on a rolling 12-month basis.

10.0 Risks and Risk Management

The effective management of risk is a key priority for the Board and Senior Management. Balanced risk-taking and effective risk management create valuable business returns and shareholder value, as well as market opportunities and competitive advantages, all of which support profitable growth over the long term. CTC has adopted an Enterprise Risk Management (ERM) Policy and Framework, Risk Appetite Statements and other policies designed to identify, assess, manage, monitor, escalate and report risks that, alone or in combination with other interrelated risks, could have a significant adverse impact on the Company's brand, financial performance and/or ability to achieve its strategic objectives (key risks). For further information on the ERM Policy and Framework, please refer to Section 2.6 of the Company's 2024 AIF.

The Company's 2024 Annual MD&A sets out a description of key risks as well as other risks that may have a material adverse effect on the Company, grouped into business and operational risks, and financial risks. In addition to the risks described below, there may be additional risks and uncertainties not currently known to Management, or risks that are not considered material at this time which may evolve and materially and adversely affect the Company in the future. The actual effect of any risk may be materially different than what is currently anticipated. Many of the risks are interconnected, influencing the likelihood and impact of other risks.

CTC strives to implement appropriate measures and risk management strategies to address its key risks. Management regularly reviews its risk management strategies and measures for sufficiency given the dynamic nature of the risks, as well as emerging risks and/or trends, which might have an impact on CTC's residual risk exposures. However, there can be no assurance that these strategies and measures will successfully mitigate these risks.

When considering whether to purchase or sell securities of CTC, investors and others should carefully consider these risks (including that risk management strategies and measures may not successfully mitigate such risks) as well as other uncertainties and factors that may adversely impact CTC's future performance.

For a further discussion of risks that affect CT REIT, please refer to Section 5 in CT REIT's Annual Information Form and Section 12.0 in CT REIT's Management's Discussion and Analysis for the period ended December 31, 2024, which are not incorporated herein by reference.

11.0 Internal Controls and Procedures

Details relating to disclosure controls and procedures, and internal control over financial reporting, are disclosed in Section 12.0 of the Company's 2024 Annual MD&A.

Changes in Internal Control Over Financial Reporting

During the quarter ended March 29, 2025, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

12.0 Environmental, Social, and Governance

CTC's brand purpose, *We Are Here to Make Life in Canada Better*, guides all actions related to the Company's business strategy, including CTC's approach to ESG matters. The Company has identified the ESG topics that are most relevant to the Enterprise and its stakeholders, and has organized these topics into four pillars:

CTC's ESG Topics

Environment	People and Community	Responsible Sourcing	Governance
Climate Change	Talent, Culture and Belonging	Supply Chain: People	Corporate Governance
Circularity: Product, Packaging and Operational Waste	Community Impact	Supply Chain: Planet	Business Ethics
		Product Safety and Quality	Privacy and Cyber Security

CTC publishes an annual ESG Report which outlines its approach to ESG, including underlying strategies and targets. The report includes a Climate Data Index and disclosures against the Sustainability Accounting Standards Board (SASB) standards. The Company also publishes reports on specific ESG matters, including an annual Forced Labour and Child Labour Report and an annual Diversity, Inclusion & Belonging Year-in-Review.

These reports are available at: <https://corp.canadiantire.ca/Environmental-Social-Governance/default.aspx>, and are not incorporated herein by reference. For additional details on the Company's approach to ESG, please refer to Section 2.8 of the 2024 AIF.

13.0 2024 Quarterly Trends

The results below are reported amounts adjusted for discontinued operations. Normalized amounts adjust results for previously disclosed normalizing items. There were no normalizing items in the first three quarters of 2024.

Consolidated Results

(C\$ in millions, except where noted)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 2024	YTD 2024	YTD 2024
				Normalized		Normalized	
Revenue	\$ 3,332.8	\$ 3,995.4	\$ 3,987.0	\$ 4,200.8	\$ 4,200.8	\$ 15,516.0	\$ 15,516.0
Cost of producing revenue	2,182.2	2,648.9	2,644.7	2,821.3	2,839.4	10,297.1	10,315.2
Gross margin dollars	\$ 1,150.6	\$ 1,346.5	\$ 1,342.3	\$ 1,379.5	\$ 1,361.4	\$ 5,218.9	\$ 5,200.8
Other expense (income)	(0.9)	(12.7)	(34.5)	(0.9)	(241.9)	(49.0)	(290.0)
Selling, general and administrative expenses	776.5	781.9	814.4	849.1	867.2	3,221.9	3,240.0
Depreciation and amortization	183.0	182.3	181.6	184.7	184.7	731.6	731.6
Net finance costs (income)	89.1	88.1	84.1	82.8	82.8	344.1	344.1
Income before income taxes	\$ 102.9	\$ 306.9	\$ 296.7	\$ 263.8	\$ 468.6	\$ 970.3	\$ 1,175.1
Income tax expense (recovery)	23.8	74.5	78.1	62.6	83.2	239.0	259.6
Net income from continuing operations	\$ 79.1	\$ 232.4	\$ 218.6	\$ 201.2	\$ 385.4	\$ 731.3	\$ 915.5
Net income from discontinued operations	16.9	(8.9)	2.1	46.3	46.3	56.4	56.4
Net income	\$ 96.0	\$ 223.5	\$ 220.7	\$ 247.5	\$ 431.7	\$ 787.7	\$ 971.9
Net income attributable to Shareholders of Canadian Tire Corporation:							
Continuing operations	\$ 59.9	\$ 207.7	\$ 198.5	\$ 181.0	\$ 365.2	\$ 647.1	\$ 831.3
Discontinued operations	16.9	(8.9)	2.1	46.3	46.3	56.4	56.4
Diluted earnings per share	\$ 1.38	\$ 3.56	\$ 3.59	\$ 4.07	\$ 7.37	\$ 12.62	\$ 15.92
Continuing operations	1.08	3.72	3.55	3.24	6.54	11.61	14.91
Discontinued operations	0.30	(0.16)	0.04	0.83	0.83	1.01	1.01

Retail Segment Continuing Operations

(C\$ in millions)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 2024	YTD 2024	YTD 2024
				Normalized		Normalized	
Total revenue	\$ 2,944.5	\$ 3,617.5	\$ 3,591.9	\$ 3,816.7	\$ 3,816.7	\$13,970.6	\$13,970.6
Cost of producing revenue	2,006.0	2,469.5	2,466.4	2,630.0	2,648.1	9,571.9	9,590.0
Gross margin	\$ 938.5	\$ 1,148.0	\$ 1,125.5	\$ 1,186.7	\$ 1,168.6	\$ 4,398.7	\$ 4,380.6
Other expense (income)	(37.9)	(34.3)	(69.4)	(40.0)	(281.0)	(181.6)	(422.6)
Selling, general and administrative expenses	686.7	696.1	734.0	764.3	773.0	2,881.1	2,889.8
Depreciation and amortization	229.6	229.6	229.2	232.6	232.6	921.0	921.0
Net finance costs (income)	78.4	75.4	69.5	67.8	67.8	291.1	291.1
Income before taxes	\$ (18.3)	\$ 181.2	\$ 162.2	\$ 162.0	\$ 376.2	\$ 487.1	\$ 701.3
Depreciation and amortization in cost of producing revenue	\$ 6.7	\$ 5.7	\$ 5.4	\$ 5.1	\$ 5.1	\$ 22.9	\$ 22.9
EBITDA	296.4	491.9	466.3	467.5	681.7	1,722.1	1,936.3
Items included in the above:							
Interest income ¹	27.1	30.8	29.3	27.5	27.5	114.7	114.7
Interest expense	96.6	96.8	89.5	87.5	87.5	370.4	370.4
Retail gross margin rate excluding Petroleum	35.9 %	35.7 %	35.2 %	34.2 %	33.7 %	35.2 %	35.1 %

¹ Interest income includes interest on loans receivable recognized in External Revenue. Refer to the Revenue note in the consolidated financial statements for the specific reporting period above.

14.0 Caution Regarding Forward-Looking Information

This document contains information that may constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information provides insights regarding Management's current expectations and plans and allows investors and others to better understand the Company's anticipated financial position, results of operations and operating environment, including the current economic uncertainty related to tariffs and trade. Readers are cautioned that such information may not be appropriate for other purposes. Statements containing forward-looking information are neither historical facts nor assurances of future performance. Forward-looking information included or incorporated by reference in this document includes, but is not limited to, information with respect to:

- the agreement to sell Helly Hansen in Sections 2.1 and 3.0;
- the impacts of the Company's True North strategy, including expected capital investment and expected annualized operating expense savings, in Section 3.0;
- the planned launch of loyalty partnerships with RBC and WestJet in Section 3.0;
- the Company's operating capital expenditure expectations, including planned investments in CTR and Mark's stores, in Sections 3.0 and 5.4.1; and
- the Company's intention to repurchase its Class A Non-Voting Shares in Sections 3.0 and 6.1.

Other non-historical information may also constitute forward-looking information, including, but not limited to, information concerning Management's current expectations relating to possible or assumed prospects and results, the Company's strategic objectives and priorities, its actions and the results of those actions, and the economic and business outlook for the Company. Often, but not always, forward-looking information can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "believe", "estimate", "plan", "can", "could", "should", "would", "outlook", "target", "forecast", "anticipate", "aspire", "foresee", "continue", "ongoing" or the negative of these terms or variations of them or similar terminology.

By its nature, forward-looking information is based on estimates and assumptions and information currently available to Management. Among other things, and except where noted, Management has assumed that there will be no material adverse changes to regional, provincial, national and global macroeconomic conditions (such as inflation, gross domestic product and consumer income and debt levels), geopolitical conditions (including tariffs), consumer spending levels, interest rates, foreign exchange rates, regulatory environment (including

taxes), and the Company's competitive position in the retail landscape, earnings prospects and liquidity. Management has also assumed that there will be no material changes to the Company's strategic and capital allocation priorities, that anticipated cost savings and operational efficiencies will be achieved, that anticipated benefits from initiatives, partnerships or acquisitions will be realized and that all required regulatory approvals will be received. There can be no assurance that the estimates and assumptions upon which forward-looking information is based will prove to be correct.

Although the Company believes that the forward-looking information in this document is based on information, estimates and assumptions that are reasonable, such information is necessarily subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in such forward-looking information. These risks, uncertainties and other factors are set out below and include those described in Section 10.0 (Risks and Risk Management) in this MD&A and all subsections therein:

- failure of the Company to respond to evolving trends and developments and execute on its True North strategy, acquisitions, projects, investments and cost saving measures;
- poor operating or financial performance by Dealers, franchisees and independent retailers;
- damage to the Company's brand and reputation;
- adverse geopolitical conditions, including trade restrictions, tariffs (such as tariffs and retaliatory tariffs by the United States and Canada), changes in government commitments and international conflicts;
- failure to attract, retain and develop its workforce, including executives and other key employees;
- adverse macroeconomic conditions, such as increased inflation and consumer debt levels and lower gross domestic product and consumer income levels;
- increasing dependence on technology and legacy IT systems, with increased risk of system failures or outages;
- emergence of disruptive technologies, including AI;
- increasing frequency and sophistication of global cyber security threats and potential cyber security breaches;
- evolving privacy laws, which may impact the collection, use and disclosure of customer and other data that support the Company's strategy;
- reliance on third parties which are in turn subject to a variety of risks that could impact their performance;
- supply chain disruptions and product shortages;
- failure to identify human rights, worker safety, environmental or other issues in the Company's supply chain;
- failure to attract, retain and grow membership in the Company's loyalty program and expand and execute loyalty partnerships;
- failure to maintain and grow market share given the highly competitive and constantly evolving markets in which the Company operates;
- shifts in customer trends, preferences and spending patterns;
- risks associated with the seasonal nature of the Company's business, including the impact of unusual weather patterns;
- changes in laws and regulations to which the Company is subject to, and any involvement in claims, disputes or legal proceedings;
- risks associated with climate change, including physical risks and transition risks;
- risks associated with the Company's management of its priority ESG topics;
- business disruptions and challenges restoring operations and critical business services;
- credit risks from a counterparty failing to meet its contractual obligations, including financial instrument counterparty credit risk and consumer, Dealer and franchisee credit risks;
- insufficient liquidity to meet the obligations associated with the Company's indebtedness and other financial liabilities;
- the risk that changes in market prices, resulting from foreign currency rate and interests rate fluctuations, will affect the Company's income or value of its holdings of financial instruments;
- price fluctuations in the commodity price of oil; and
- the unavailability of adequate insurance coverage on reasonable terms.

Investors and other readers are urged to consider the foregoing risks, uncertainties, factors, and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. In addition, the Company cautions that the foregoing lists of risks and assumptions are not exhaustive, and other risks, uncertainties and factors could also adversely affect the Company's results and may cause actual results to differ materially from those expressed or implied in the forward-looking information.

The forward-looking information contained herein is based on information, estimates and assumptions as of the date hereof. The Company does not undertake to update any forward-looking information, whether written or oral, except as is required by applicable laws.

Information contained in or otherwise accessible through the websites referenced in this MD&A does not form part of this MD&A and is not incorporated by reference into this MD&A. All references to such websites are inactive textual references and are for information only.

This document contains trade names, trademarks and service marks of CTC and other organizations, all of which are the property of their respective owners. Solely for convenience, the trade names, trademarks, and service marks referred to herein appear without the ® or ™ symbol.

Commitment to Disclosure and Investor Communication

The Company strives to maintain a high standard of disclosure and investor communication and has been recognized as a leader in financial reporting practices. Reflecting the Company's commitment to full and transparent disclosure, the Investor Relations section of the Company's website at: <https://investors.canadiantire.ca>, includes the following documents and information of interest to investors:

- Annual and Quarterly Report to Shareholders;
- Quarterly earnings news releases, fact sheets, and other materials including conference call transcripts and webcasts (archived for one year);
- Supplementary information including investor presentations and videos;
- the Annual Information Form;
- the Management Information Circular;
- Information for Debtholders; and
- The Company's Approach to Corporate Governance.

The Company's Report to Shareholders, Annual Information Form, Management Information Circular and quarterly financial statements and MD&A are also available at <http://www.sedarplus.ca>.

If you would like to contact the Investor Relations department directly, email investor.relations@cantire.com.