



2025



Second Quarter FINANCIAL RESULTS

AUTOCAN.CA





Condensed Interim Consolidated Financial Statements (Unaudited)

■ *Three-month and six-month periods ended June 30, 2025*



AutoCanada Inc.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

(Unaudited)

(in thousands of Canadian dollars except for share and per share amounts)

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024 Revised ⁽¹⁾	June 30, 2025	June 30, 2024 Revised ⁽¹⁾
	\$	\$	\$	\$
Continuing operations				
Revenue (Note 6)	1,338,199	1,381,150	2,578,299	2,593,187
Cost of sales (Note 7)	(1,112,832)	(1,160,392)	(2,154,896)	(2,174,852)
Gross profit	225,367	220,758	423,403	418,335
Operating expenses (Note 8)	(170,737)	(186,497)	(345,613)	(361,459)
Operating profit before other income and expense	54,630	34,261	77,790	56,876
Lease and other income, net	1,744	1,196	3,893	3,585
Gain on disposal of assets, net (Note 27)	862	3,359	13,915	22,626
Net impairment losses on trade and other receivables	(184)	(709)	(1,306)	(1,600)
Impairment of non-financial assets (Note 14, 17)	(2,380)	—	(2,380)	(7,200)
Operating profit	54,672	38,107	91,912	74,287
Finance costs (Note 9)	(24,239)	(30,487)	(53,788)	(60,276)
Finance income (Note 9)	296	58	732	786
(Loss) Gain on redemption liabilities	(1,183)	(642)	1,141	(642)
Other (losses) gains, net	(2,338)	266	(1,264)	348
Income for the period before taxation from continuing operations	27,208	7,302	38,733	14,503
Income tax expense (Note 10)	8,297	3,367	10,115	2,515
Net income for the period from continuing operations	18,911	3,935	28,618	11,988
Net loss for the period from discontinued operations (Note 15)	(32)	(37,009)	(12,891)	(47,423)
Net income (loss) for the period	18,879	(33,074)	15,727	(35,435)
Other comprehensive (loss) income				
<i>Items that may be reclassified to profit or loss</i>				
Foreign operations currency translation	(7,168)	511	(6,862)	2,959
Change in fair value of hedging instruments (Note 21)	—	—	—	(206)
Income tax relating to these items (Note 10)	(1,226)	—	(1,226)	51
Other comprehensive (loss) income for the period	(8,394)	511	(8,088)	2,804
Comprehensive income (loss) for the period	10,485	(32,563)	7,639	(32,631)
Net income (loss) for the period attributable to:				
AutoCanada shareholders	17,357	(34,282)	13,533	(36,689)
Non-controlling interests	1,522	1,208	2,194	1,254
	18,879	(33,074)	15,727	(35,435)
Net income (loss) for the period attributable to AutoCanada shareholders arises from:				
Continuing operations	17,389	2,727	26,424	10,734
Discontinued operations	(32)	(37,009)	(12,891)	(47,423)
	17,357	(34,282)	13,533	(36,689)
Comprehensive income (loss) for the period attributable to:				
AutoCanada shareholders	8,963	(33,771)	5,445	(33,885)
Non-controlling interests	1,522	1,208	2,194	1,254
	10,485	(32,563)	7,639	(32,631)

AutoCanada Inc.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss) (continued)

(Unaudited)

(in thousands of Canadian dollars except for share and per share amounts)

	Three-month period ended		Six-month period ended	
	June 30, 2025 \$	June 30, 2024 Revised ⁽¹⁾ \$	June 30, 2025 \$	June 30, 2024 Revised ⁽¹⁾ \$
Comprehensive income (loss) for the period attributable to AutoCanada shareholders arises from:				
Continuing operations	17,054	2,727	19,899	10,579
Discontinued operations	(8,091)	(36,498)	(14,454)	(44,464)
	8,963	(33,771)	5,445	(33,885)
Net income (loss) per share attributable to AutoCanada shareholders:				
Basic from continuing operations	0.75	0.12	1.14	0.46
Basic from discontinued operations	0.00	(1.59)	(0.56)	(2.02)
Basic	0.75	(1.47)	0.58	(1.56)
Diluted from continuing operations	0.72	0.12	1.09	0.46
Diluted from discontinued operations	0.00	(1.59)	(0.53)	(2.02)
Diluted	0.72	(1.47)	0.56	(1.56)
Weighted average shares				
Basic (Note 23)	23,145,912	23,374,790	23,143,813	23,479,098
Diluted (Note 23)	24,208,467	23,374,790	24,177,599	23,479,098

¹ Comparative period revised to reflect current period presentation. See Note 15 - "Discontinued Operations" for additional information

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

AutoCanada Inc.

Condensed Interim Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

	June 30, 2025 (Unaudited) \$	December 31, 2024 \$
ASSETS		
Current assets		
Cash	62,409	67,343
Trade and other receivables (Note 12)	163,961	173,568
Inventories (Note 13)	806,654	947,278
Current tax recoverable	13,474	10,205
Other current assets (Note 18)	18,834	11,993
Derivative financial instrument (Note 21)	402	376
	1,065,734	1,210,763
Assets held for sale (Note 14)	303,271	332,693
Total current assets	1,369,005	1,543,456
Property and equipment (Note 16)	300,861	312,014
Right-of-use assets	349,916	389,958
Other long-term assets (Note 18)	12,552	16,501
Deferred income tax	20,222	18,840
Intangible assets	620,128	630,467
Goodwill	90,059	94,592
Total assets	2,762,743	3,005,828
LIABILITIES		
Current liabilities		
Trade and other payables (Note 19)	183,548	177,473
Revolving floorplan facilities (Note 20)	881,307	1,010,579
Current tax payable	—	3,766
Vehicle repurchase obligations	3,369	3,705
Indebtedness (Note 20)	23,715	24,108
Lease liabilities	25,213	35,780
Redemption liabilities	21,924	23,066
Other liabilities (Note 21)	11,347	11,063
Derivative financial instruments (Note 21)	—	1,741
	1,150,423	1,291,281
Liabilities directly associated with assets held for sale (Note 14)	151,399	201,966
Total current liabilities	1,301,822	1,493,247
Long-term indebtedness (Note 20)	478,524	517,543
Long-term lease liabilities	395,446	421,392
Long-term redemption liabilities	25,000	25,000
Derivative financial instruments (Note 21)	9,448	8,705
Deferred income tax	54,323	44,613
Total liabilities	2,264,563	2,510,500
EQUITY		
Attributable to AutoCanada shareholders	476,453	468,027
Attributable to non-controlling interests	21,727	27,301
Total equity	498,180	495,328
	2,762,743	3,005,828

Commitments (Note 16)

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

AutoCanada Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited)

(in thousands of Canadian dollars)

	Attributable to AutoCanada shareholders						Non-controlling interests	Total equity	
	Share capital	Treasury shares	Contributed surplus	Share repurchase (deficit)	Cumulative translation adjustment	Retained earnings			
	\$	\$	\$	\$	\$	\$	\$	\$	
Balance, January 1, 2025	426,146	(315)	7,591	(52,981)	15,921	71,665	468,027	27,301	495,328
Net income	—	—	—	—	—	13,533	13,533	2,194	15,727
Other comprehensive loss	—	—	—	—	(8,088)	—	(8,088)	—	(8,088)
Dividends paid by subsidiaries to non-controlling interests	—	—	—	—	—	—	—	(6,791)	(6,791)
Acquisition of non-controlling interests	—	—	(33)	—	—	—	(33)	(977)	(1,010)
Forward share purchase (Note 21)	—	—	(284)	—	—	—	(284)	—	(284)
Settlement of share- based awards	—	—	(227)	—	—	—	(227)	—	(227)
Treasury shares acquired (Note 23)	—	(252)	—	—	—	—	(252)	—	(252)
Deferred tax on share-based payments	—	—	(206)	—	—	—	(206)	—	(206)
Shares settled from treasury (Note 23)	—	440	(440)	—	—	—	—	—	—
Share-based compensation (Note 22)	—	—	3,983	—	—	—	3,983	—	3,983
Balance, June 30, 2025	426,146	(127)	10,384	(52,981)	7,833	85,198	476,453	21,727	498,180

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

AutoCanada Inc.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited)

(in thousands of Canadian dollars)

	Attributable to AutoCanada shareholders								Non-controlling interests	Total equity
	Share capital	Treasury shares	Contributed surplus	Share repurchase (deficit)	Cumulative translation adjustment	OCI hedge reserve	Retained earnings	Total capital		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, January 1, 2024	434,632	(319)	4,117	(51,525)	7,889	155	139,898	534,847	29,982	564,829
Net (loss) income	—	—	—	—	—	—	(36,689)	(36,689)	1,254	(35,435)
Other comprehensive income (loss)	—	—	—	—	2,959	(155)	—	2,804	—	2,804
Dividends paid by subsidiaries to non-controlling interests	—	—	—	—	—	—	—	—	(4,294)	(4,294)
Non-controlling interests issued	—	—	—	—	—	—	—	—	2,020	2,020
Repurchase of common shares under the Normal Course Issuer Bid (Note 23)	(6,319)	—	—	(1,403)	—	—	—	(7,722)	—	(7,722)
Settlement of share-based awards	—	—	(826)	—	—	—	—	(826)	—	(826)
Treasury shares acquired (Note 23)	—	(1,625)	—	—	—	—	—	(1,625)	—	(1,625)
Deferred tax on share-based payments	—	—	(89)	—	—	—	—	(89)	—	(89)
Shares settled from treasury (Note 23)	—	1,444	(1,444)	—	—	—	—	—	—	—
Share-based compensation (Note 22)	—	—	4,401	—	—	—	—	4,401	—	4,401
Balance, June 30, 2024	428,313	(500)	6,159	(52,928)	10,848	—	103,209	495,101	28,962	524,063

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

AutoCanada Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited)

(in thousands of Canadian dollars)

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Cash provided by (used in):				
Operating activities				
Net income (loss) for the period	18,879	(33,074)	15,727	(35,435)
Adjustments for:				
Income tax expense (Note 10)	8,297	16,953	10,115	16,101
Finance costs (Note 9, 15)	27,827	37,040	62,753	73,342
Depreciation of right-of-use assets (Note 8)	8,181	8,776	16,419	17,362
Depreciation of property and equipment (Note 8)	5,337	6,370	10,657	12,646
Amortization of intangible assets (Note 8)	125	125	248	251
Gain on disposal of assets, net (Note 27)	(862)	(3,359)	(13,915)	(22,626)
Share-based compensation (Note 22)	2,340	2,196	3,983	4,401
Unrealized fair value changes on foreign exchange forward contracts (Note 21)	(796)	(182)	(2,143)	2,191
Loss (gain) on redemption liabilities	1,183	642	(1,141)	642
Impairment of non-financial assets (Note 15, 17)	2,380	11,309	5,749	18,509
Net change in non-cash working capital (Note 26)	(26,374)	25,542	(202)	45,762
	46,517	72,338	108,250	133,146
Income taxes paid	(1,822)	(3,982)	(9,050)	(16,549)
Interest paid	(24,885)	(30,269)	(60,687)	(71,955)
Tax withholdings paid on settlement of share-based awards	(229)	(1,038)	(229)	(1,079)
	19,581	37,049	38,284	43,563
Investing activities				
Business acquisitions, net of cash acquired	—	(20,197)	—	(20,197)
Purchases of property and equipment	(7,140)	(8,743)	(10,143)	(20,021)
Additions to intangible assets	(58)	(331)	(128)	(672)
Adjustments to prior year business acquisitions	(47)	(491)	(47)	(505)
Proceeds on sale of property and equipment	1,079	10,223	1,105	51,628
Proceeds on divestiture of dealership (Note 27)	3,291	—	3,291	—
Proceeds on termination of loan agreement with subsidiary (Note 27)	—	—	30,107	—
Proceeds on franchise termination (Note 27)	—	—	894	—
	(2,875)	(19,539)	25,079	10,233
Financing activities				
Proceeds from indebtedness	210,943	147,191	385,755	353,013
Repayment of indebtedness	(252,966)	(153,191)	(428,505)	(356,405)
Repurchase of common shares under Normal Course Issuer Bid	—	(5,778)	—	(7,722)
Shares settled from treasury, net (Note 23)	188	350	188	(181)
Payments for purchase of Used Digital Division minority interest	—	—	—	(22,500)
Dividends paid to non-controlling interests	(1,833)	—	(6,791)	(4,294)
Repayment of loans by non-controlling interests	—	—	—	2,236
Acquisition of non-controlling interests	—	—	(1,010)	—
Principal portion of lease payments, net	(9,775)	(7,960)	(18,215)	(15,754)
	(53,443)	(19,388)	(68,578)	(51,607)

AutoCanada Inc.

Condensed Interim Consolidated Statements of Cash Flows (continued)

(Unaudited)

(in thousands of Canadian dollars)

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Effect of exchange rate changes on cash	1,457	164	1,882	863
Net decrease in cash	(35,280)	(1,714)	(3,333)	3,052
Cash at beginning of period per balance sheet	101,468	107,912	67,343	103,146
Cash at beginning of period included in assets held for sale related to discontinued operations (Note 15)	37,827	—	40,005	—
Cash at end of period	104,015	106,198	104,015	106,198
Included in cash per balance sheet	62,409	106,198	62,409	106,198
Included in the assets held for sale of the discontinued operations (Note 15)	41,606	—	41,606	—

Cash flows of discontinued operations (Note 15)

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

AutoCanada Inc.

Notes to the Condensed Interim Consolidated Financial Statements For the period ended June 30, 2025

(Unaudited)

(In thousands of Canadian dollars except for share and per share amounts)

1 General information

AutoCanada Inc. ("AutoCanada" or the "Company") is incorporated in Alberta, Canada with common shares listed on the Toronto Stock Exchange ("TSX") under the symbol of "ACQ". The business of AutoCanada, held in its subsidiaries, is the operation of franchised automobile dealerships and related businesses in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, and in the State of Illinois in the United States. The Company offers a diversified range of automotive products and services, including new vehicles, used vehicles, vehicle leasing, vehicle parts, vehicle maintenance and collision repair services, extended service contracts, vehicle protection products and after-market products. The Company also arranges financing and insurance for vehicles purchased by its customers through third-party finance and insurance sources. The address of its registered office is 200, 15511 123 Avenue NW, Edmonton, Alberta, Canada, T5V 0C3.

2 Basis of presentation

These condensed interim consolidated financial statements ("Interim Financial Statements") have been prepared in accordance with IFRS Accounting Standards (as issued by the International Accounting Standards Board) applicable to preparation of interim financial statements under International Accounting Standard 34, Interim Financial Reporting. These Interim Financial Statements do not include all the disclosures normally provided in the annual audited consolidated financial statements ("Annual Financial Statements") and should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards.

The Company's retail automobile dealerships and related businesses in its Canadian Operations and its collision repair services in its U.S. Operations are presented herein as continuing operations. The Company's RightRide division in its Canadian Operations and retail automobile dealerships in its U.S. Operations have been classified and presented as discontinued operations (Note 15).

These Interim Financial Statements were approved by the Board of Directors on August 13, 2025.

3 Material accounting policy information

The material accounting policies used in the preparation of these Interim Financial Statements are the same accounting policies and method of computation as disclosed in the Annual Financial Statements for the year ended December 31, 2024.

4 New and amended accounting standards issued

Accounting standards and amendments issued and adopted in 2025

The Company has adopted amendments to various standards effective January 1, 2025, which did not have a significant impact to these Interim Financial Statements. The Company has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

5 Critical accounting estimates

Except as otherwise noted, the critical accounting estimates, judgments, and measurement uncertainty used in the preparation of these Interim Financial Statements are the same as disclosed in the Annual Financial Statements for the year ended December 31, 2024.

6 Revenue

	Three-month period ended		Six-month period ended	
	June 30, 2024		June 30, 2024	
	June 30, 2025	Revised ⁽¹⁾	June 30, 2025	Revised ⁽¹⁾
	\$	\$	\$	\$
New vehicles	617,508	603,044	1,168,402	1,101,320
Used vehicles	474,165	532,054	936,887	1,015,118
Parts and service	137,546	136,934	260,359	267,773
Collision repair	38,420	30,563	78,746	63,164
Finance, insurance and other	70,560	78,555	133,905	145,812
Revenue	1,338,199	1,381,150	2,578,299	2,593,187

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

7 Cost of sales

	Three-month period ended		Six-month period ended	
	June 30, 2024		June 30, 2024	
	June 30, 2025	Revised ⁽¹⁾	June 30, 2025	Revised ⁽¹⁾
	\$	\$	\$	\$
New vehicles	576,974	557,646	1,091,449	1,015,752
Used vehicles	449,008	522,550	892,307	994,110
Parts and service	58,644	58,703	115,313	119,800
Collision repair	21,859	14,441	43,987	32,738
Finance, insurance and other	6,347	7,052	11,840	12,452
Cost of sales	1,112,832	1,160,392	2,154,896	2,174,852

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

8 Operating expenses

	Three-month period ended		Six-month period ended	
	June 30, 2024		June 30, 2024	
	June 30, 2025	Revised ⁽¹⁾	June 30, 2025	Revised ⁽¹⁾
	\$	\$	\$	\$
Employee costs	106,347	118,376	212,556	225,525
Administrative costs	50,187	53,992	104,563	107,174
Facility lease costs	560	312	1,170	1,359
Depreciation of right-of-use assets	8,181	8,020	16,419	15,861
Depreciation of property and equipment	5,337	5,672	10,657	11,289
Amortization of intangible assets	125	125	248	251
Operating expenses	170,737	186,497	345,613	361,459

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

9 Finance costs and finance income

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024 Revised ⁽¹⁾	June 30, 2025	June 30, 2024 Revised ⁽¹⁾
	\$	\$	\$	\$
Finance costs				
Interest on long-term indebtedness	8,755	5,390	16,413	11,655
Interest on lease liabilities	7,655	7,659	15,300	15,269
Unrealized fair value changes on non-hedging instruments (Note 21)	(2,658)	1,306	1,121	934
	13,752	14,355	32,834	27,858
Floorplan financing	9,018	17,376	19,281	34,421
Interest rate swap settlements (Note 21)	396	(1,469)	394	(3,025)
Other finance costs	1,073	225	1,279	1,022
	24,239	30,487	53,788	60,276
Finance income				
Interest on net investment in finance lease	13	14	27	29
Short-term bank deposits	283	44	705	757
	296	58	732	786

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

10 Taxation

Components of income tax were as follows:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024 Revised ⁽¹⁾	June 30, 2025	June 30, 2024 Revised ⁽¹⁾
	\$	\$	\$	\$
Current tax	1,818	3,098	3,293	4,110
Deferred tax	6,479	269	6,822	(1,595)
Total income tax expense (recovery)	8,297	3,367	10,115	2,515

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

The tax expense recognized in other comprehensive income (loss) during the period:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Tax expense on repurchase of preferred shares in U.S. Operations	1,226	—	1,226	—
Tax recovery relating to change in fair value of hedging instruments	—	—	—	(51)
Total income tax expense (recovery)	1,226	—	1,226	(51)

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
<i>Continuing operations:</i>				
Current income tax expense	1,818	3,098	3,293	4,110
Deferred income tax expense (recovery)	6,479	269	6,822	(1,595)
	8,297	3,367	10,115	2,515
<i>Discontinued operation:</i>				
Deferred income tax expense	—	13,586	—	13,586
	—	13,586	—	13,586
Total income tax expense	8,297	16,953	10,115	16,101

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual statutory tax rate used for the six-month period ended June 30, 2025 was 25.5% (2024 - 25.4%).

11 Business acquisitions

Prior year business acquisitions

During the six-month period ended June 30, 2025, provisional amounts that were previously disclosed in the Annual Financial Statements for the year ended December 31, 2024, were finalized for Nurse Chevrolet Cadillac and Collision Centre. During the six-month period ended June 30, 2025, new information was obtained about circumstances that existed at the acquisition date, which resulted in certain adjustments to the fair value of net identifiable assets acquired. These adjustments are not significant and have been adjusted for prospectively in these Interim Financial Statements.

12 Trade and other receivables

	June 30, 2025 \$	December 31, 2024 \$
Trade receivables	137,272	137,831
Sales tax receivable	22,569	29,363
Other receivables	6,053	8,324
	165,894	175,518
Less: Expected loss allowance	(1,933)	(1,950)
Trade and other receivables	163,961	173,568

13 Inventories

	June 30, 2025 \$	December 31, 2024 \$
New vehicles	381,242	487,955
Demonstrator vehicles	65,565	78,919
Used vehicles	316,200	333,933
Parts and accessories	43,647	46,471
Inventories	806,654	947,278

Amounts recognized in the Condensed Interim Consolidated Statements of Comprehensive Income (Loss):

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024 Revised ⁽¹⁾	June 30, 2025	June 30, 2024 Revised ⁽¹⁾
	\$	\$	\$	\$
Inventory expensed as cost of sales	1,053,126	1,153,104	2,106,859	2,156,822
Writedowns on vehicles included in cost of sales	7,280	16,233	14,779	18,616
Demonstrator expenses included in administrative costs	836	2,353	2,175	1,747

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

14 Assets and liabilities held for sale

Land and buildings

The Company has committed to a plan to sell specific properties consisting of land and buildings in Alberta, Ontario, and Manitoba, which are included in the Canadian Operations. The net assets have been classified as held for sale in the Condensed Interim Consolidated Statements of Financial Position.

On May 29, 2025, the Company completed the sale of a property consisting of land and buildings in New Brunswick for cash consideration of \$800. The property was previously held for sale as at March 31, 2025. A gain of \$140 was recognized on the sale.

As at June 30, 2025, the assets held for sale in the Canadian Operations segment include land and buildings of \$12,762 (2024 - \$6,658).

Used vehicle auction business

During the six-month period ended June 30, 2025, the Company completed the sale of Northern Auto Auctions of Canada Inc. ("North Toronto Auction") in the Canadian Operations segment for cash consideration of \$3,291 (Note 27). North Toronto Auction was previously held for sale as at March 31, 2025. A pre-tax loss of \$1,513 was recognized on the sale.

The reconciliation of assets held for sale on the Consolidated Statements of Financial Position is as follows:

	June 30, 2025 \$	December 31, 2024 \$
Assets held for sale from continuing operations	12,762	6,658
Assets held for sale directly associated with discontinued operations (Note 15)	290,509	326,035
Assets held for sale	303,271	332,693
Liabilities directly associated with assets held for sale from discontinued operations (Note 15)	151,399	201,966
Liabilities directly associated with assets held for sale	151,399	201,966

Prior year impairment charge as a result of reclassification as held for sale

During the six-month period ended June 30, 2024, the Company recorded an impairment charge of \$7,200 related to a dealership in the Canadian Operations segment that was determined to be impaired. The impairment charge was allocated to intangible assets as goodwill was previously fully impaired.

15 Discontinued operations

On December 31, 2024, the Company was engaged in an active program to locate buyers for its retail automobile dealerships in its U.S. Operations segment. The Company's retail automobile dealerships in its U.S. Operations segment continue to be reported as a discontinued operation for the six-month period ended June 30, 2025.

On March 4, 2025, the Company closed all remaining locations within its RightRide division, which are included within the Canadian Operations segment. The Company's RightRide division is reported as a discontinued operation for the six-month period ended June 30, 2025. The Company recorded an impairment charge of \$3,369 related to right-of-use assets that were determined to be impaired as a result of the classification as a discontinued operation.

Financial performance and cash flow information

The financial performance and cash flow information for the three-month and six-month periods ended June 30, 2025, and June 30, 2024 is summarized as follows:

	Three-month period ended June 30, 2025			Three-month period ended June 30, 2024		
	RightRide \$	Retail Automobile Dealerships - U.S. Operations \$	Total \$	RightRide \$	Retail Automobile Dealerships - U.S. Operations \$	Total \$
Revenue	306	149,139	149,445	28,679	191,150	219,829
Cost of sales	(431)	(122,075)	(122,506)	(25,605)	(165,306)	(190,911)
Gross (loss) profit	(125)	27,064	26,939	3,074	25,844	28,918
Operating expenses	(300)	(23,221)	(23,521)	(4,281)	(30,388)	(34,669)
Operating (loss) income before other income and expense	(425)	3,843	3,418	(1,207)	(4,544)	(5,751)
Lease and other income, net	41	113	154	3	187	190
Loss on disposal of assets, net	—	(16)	(16)	—	—	—
Impairment of non-financial assets	—	—	—	—	(11,309)	(11,309)
Operating (loss) income	(384)	3,940	3,556	(1,204)	(15,666)	(16,870)
Finance costs	(77)	(3,511)	(3,588)	(301)	(6,252)	(6,553)
(Loss) income for the period before taxation from discontinued operations	(461)	429	(32)	(1,505)	(21,918)	(23,423)
Income tax expense (Note 10)	—	—	—	—	13,586	13,586
Net (loss) income from discontinued operations	(461)	429	(32)	(1,505)	(35,504)	(37,009)
Exchange differences on translation of discontinued operations	—	(7,168)	(7,168)	—	511	511
Income tax relating to these items (Note 10)	—	(1,226)	(1,226)	—	—	—
Other comprehensive (loss) income from discontinued operations	—	(8,394)	(8,394)	—	511	511

	Six-month period ended			Six-month period ended		
	June 30, 2025			June 30, 2024		
	RightRide	Retail Automobile Dealerships - U.S. Operations	Total	RightRide	Retail Automobile Dealerships - U.S. Operations	Total
	\$	\$	\$	\$	\$	\$
Revenue	9,963	304,020	313,983	56,921	371,799	428,720
Cost of sales	(9,443)	(253,528)	(262,971)	(50,646)	(317,406)	(368,052)
Gross profit	520	50,492	51,012	6,275	54,393	60,668
Operating expenses	(2,184)	(48,816)	(51,000)	(8,484)	(61,996)	(70,480)
Operating (loss) income before other income and expense	(1,664)	1,676	12	(2,209)	(7,603)	(9,812)
Lease and other (losses) income, net	(427)	94	(333)	4	346	350
(Loss) gain on disposal of assets, net (Note 27)	(1,117)	881	(236)	—	—	—
Impairment of non-financial assets	(3,369)	—	(3,369)	—	(11,309)	(11,309)
Operating (loss) income	(6,577)	2,651	(3,926)	(2,205)	(18,566)	(20,771)
Finance costs	(169)	(8,796)	(8,965)	(672)	(12,394)	(13,066)
Loss for the period before taxation from discontinued operations	(6,746)	(6,145)	(12,891)	(2,877)	(30,960)	(33,837)
Income tax expense (Note 10)	—	—	—	—	13,586	13,586
Net loss from discontinued operations	(6,746)	(6,145)	(12,891)	(2,877)	(44,546)	(47,423)
Exchange differences on translation of discontinued operations	—	(6,862)	(6,862)	—	2,959	2,959
Income tax relating to these items (Note 10)	—	(1,226)	(1,226)	—	—	—
Other comprehensive (loss) income from discontinued operations	—	(8,088)	(8,088)	—	2,959	2,959

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Net cash inflow from operating activities	6,000	24,431	3,179	24,108
Net cash outflow from investing activities	(1,861)	(7,143)	(967)	(8,574)
Net cash outflow from financing activities	(2,640)	(2,978)	(3,870)	(6,146)
Net increase (decrease) in cash from discontinued operations	1,499	14,310	(1,658)	9,388

The following assets and liabilities relate to the discontinued operations as at June 30, 2025:

	June 30, 2025	December 31, 2024
	\$	\$
Current assets:		
Cash	5,354	—
Trade and other receivables	654	—
Inventories	19	—
Other current assets	82	—
Assets held for sale directly associated with discontinued operations (Note 14)	290,509	326,035
	296,618	326,035
Current liabilities:		
Trade and other payables	19	—
Lease liabilities	435	—
Liabilities directly associated with assets held for sale from discontinued operations (Note 14)	151,399	201,966
	151,853	201,966
Long-term lease liabilities	4,193	—
	156,046	201,966

The following assets and liabilities were classified as held for sale in relation to the Company's retail automobile dealerships in its U.S. Operations segment as at June 30, 2025:

	June 30, 2025	December 31, 2024
	\$	\$
Current assets:		
Cash	41,606	40,005
Trade and other receivables	20,060	28,389
Inventories	106,035	127,456
Current tax recoverable	—	1,203
Other current assets	430	369
	168,131	197,422
Property and equipment	44,644	47,619
Right-of-use assets	39,393	40,555
Intangible assets	34,855	36,762
Goodwill	3,486	3,677
Assets held for sale directly associated with discontinued operations	290,509	326,035
Current liabilities:		
Trade and other payables	14,055	47,904
Revolving floorplan facilities	69,678	79,789
Lease liabilities	14,930	7,472
Other liabilities	1,302	1,373
	99,965	136,538
Long-term lease liabilities	51,434	65,313
Other long-term liabilities	—	115
Liabilities directly associated with assets held for sale directly associated with discontinued operations	151,399	201,966

The cumulative foreign exchange gains recognized in other comprehensive income in relation to the discontinued operations as at June 30, 2025 were \$7,830 (2024 - \$10,848).

16 Property and equipment

During the six-month period ended June 30, 2025, the Company purchased land and buildings of \$1,741 (2024 - \$nil) and equipment of \$8,619 (2024 - \$15,125).

Capital commitments

As at June 30, 2025, the Company is committed to capital expenditure obligations in the amount of \$742 (2024 - \$63) related to dealership relocations and re-imagings with expected completion of these commitments in 2025.

17 Impairment of non-financial assets

Intangible assets consist of rights under franchise agreements with automobile manufacturers and internally generated software costs. Intangible assets and goodwill are tested for impairment annually as at December 31 or more frequently, if events or changes in circumstances indicate that they may be impaired.

The Company determined there were indicators of impairment as a result of the decline in market capitalization of the Company when compared to the book value of the net assets at March 31, 2025 and for specific CGUs that had actual results that fell short of previous estimates. The Company performed an interim test for impairment of indefinite-lived identifiable intangible assets in these specific CGUs as at March 31, 2025 and no impairment charge was recorded (2024 - \$nil).

As at June 30, 2025, the Company recorded an impairment charge for abandoned internally generated software costs of \$2,380 (2024 - \$nil) in the Canadian Operations segment.

The valuation methodology used to assess the recoverable value of the CGUs uses level 2 inputs, indirectly derived from the market, where possible, for key assumptions such as the discount rate. Where level 2 inputs are not available, as is the case with the growth rate, the Company uses level 3 inputs, which are unobservable to the market, but reflect management's best estimates from historical performance and expectations for the future. The Company did not make any material changes to the valuation methodology and significant assumptions used to assess impairment in the current period.

18 Other assets

	June 30, 2025		December 31, 2024	
	Current	Long-term	Current	Long-term
Prepaid expenses	18,707	1,446	11,923	2,092
Other assets	—	10,345	—	13,557
Net investment in lease	127	761	70	852
Other assets	18,834	12,552	11,993	16,501

Other assets \$10,345 (2024 - \$13,557) relates to long-term loans receivable from the respective non-controlling interests.

19 Trade and other payables

	June 30, 2025	December 31, 2024
	\$	\$
Trade payables	65,607	76,789
Accruals and provisions	53,774	36,687
Sales tax payable	28,650	30,300
Wages and withholding taxes payable	35,517	33,697
Trade and other payables	183,548	177,473

20 Revolving floorplan facilities and indebtedness

	June 30, 2025 \$	December 31, 2024 \$
Revolving floorplan facilities	881,307	1,010,579
Indebtedness		
<i>Revolving term facilities</i>		
Revolving term facility	117,600	156,931
Unamortized deferred financing costs	(1,823)	(2,053)
	115,777	154,878
<i>Non-revolving term facilities</i>		
Non-recourse mortgages	39,339	40,104
Unamortized deferred financing costs	(20)	(45)
	39,319	40,059
<i>Senior unsecured notes</i>		
Senior unsecured notes	350,000	350,000
Unamortized deferred financing costs	(3,250)	(3,700)
	346,750	346,300
<i>Other debt</i>		
Other long-term debt	393	414
Total indebtedness	502,239	541,651
Current indebtedness	23,715	24,108
Long-term indebtedness	478,524	517,543

Credit facility change

On March 31, 2025, the Company obtained lender consent to change its syndicated credit agreement to increase the Company's maximum permitted Total Net Funded Debt to EBITDA Ratio from 5.50:1.00 to 6.00:1.00 for the period from April 1, 2025 to June 30, 2025. On July 1, 2025, the Company's maximum permitted Total Net Funded Debt to EBITDA Ratio will revert to 4.50:1.00 (Note 25).

The Company was in compliance with its debt covenants as at June 30, 2025.

21 Derivative financial instruments and other liabilities

Derivative financial instruments are held for the purpose of managing exposures to fluctuations in foreign exchange rates and interest rates.

The fair values and notional amounts of derivative financial instruments are as follows:

	Foreign exchange forward contracts Non-hedges \$	Interest rate swaps Non-hedges \$	Total \$
June 30, 2025			
Derivative financial instruments - current assets (Note 18)	402	—	402
Derivative financial instruments - non-current liabilities	—	9,448	9,448
Notional values	32,600 USD	302,800 CAD	
Maturity (Year)	2025	2026 - 2030	
December 31, 2024			
Derivative financial instruments - current assets	—	376	376
Derivative financial instruments - current liabilities	1,741	—	1,741
Derivative financial instruments - non current liabilities	—	8,705	8,705
Notional values	56,800 USD	480,600 CAD	
Maturity (Year)	2025	2025 - 2030	

Unrealized and realized pre-tax gains and (losses) on derivative instruments recognized in net loss and other comprehensive income on the Condensed Interim Consolidated Statements of Comprehensive Income (Loss):

	Net income \$	Other comprehensive income \$	Total \$
For the three-month period ended June 30, 2025			
Unrealized fair value changes on non-hedging instruments (Note 9)	2,658	—	2,658
Interest rate swap settlements (Note 9)	(396)	—	(396)
Unrealized fair value changes on foreign exchange forward contracts	796	—	796
Realized gain on foreign exchange forward contracts	2,038	—	2,038
	5,096	—	5,096
For the six-month period ended June 30, 2025			
Unrealized fair value changes on non-hedging instruments (Note 9)	(1,121)	—	(1,121)
Interest rate swap settlements (Note 9)	(394)	—	(394)
Unrealized fair value changes on foreign exchange forward contracts	2,143	—	2,143
Realized gain on foreign exchange forward contracts	74	—	74
	702	—	702
For the three-month period ended June 30, 2024			
Unrealized fair value changes on non-hedging instruments (Note 9)	(1,306)	—	(1,306)
Interest rate swap settlements (Note 9)	1,469	—	1,469
Unrealized fair value changes on foreign exchange forward contracts	182	—	182
Realized loss on foreign exchange forward contracts	(1,120)	—	(1,120)
	(775)	—	(775)
For the six-month period ended June 30, 2024			
Change in fair value of hedging instruments	—	(206)	(206)
Unrealized fair value changes on non-hedging instruments (Note 9)	(934)	—	(934)
Interest rate swap settlements (Note 9)	3,025	—	3,025
Unrealized fair value changes on foreign exchange forward contracts	(2,191)	—	(2,191)
Realized loss on foreign exchange forward contracts	(582)	—	(582)
	(682)	(206)	(888)

Other liabilities

Equity forward liability

On June 13, 2025, the Company amended one of its existing equity forward agreements on 100,000 common shares to extend the settlement date to December 17, 2026.

On June 23, 2025, the Company amended one of its existing equity forward agreements to increase the number of common shares from 100,000 to 104,400 with an outstanding liability amounting to \$2,255 (2024 - \$1,972).

As at June 30, 2025, the Company has equity forward agreements on 354,400 (2024 - 350,000) outstanding common shares with an outstanding liability amounting to \$11,347 (2024 - \$11,063). The outstanding liability is classified as a current liability as the Company and the counterparty have the option to settle the equity forward agreements in advance of the contractual settlement dates.

22 Share-based payments

Restricted share units ("RSUs")

During the six-month period ended June 30, 2025, 45,559 RSUs (2024 - 29,624) were granted at a fair value of \$21.95 (2024 - \$24.13). The fair value of the RSUs granted is recognized as an expense over the period in which the RSUs are expected to vest.

Performance share units ("PSUs")

During the six-month period ended June 30, 2025, 579,731 PSUs (2024 - 494,018) were granted. 521,663 PSUs were granted at a weighted average fair value of \$11.12 and 58,068 PSUs were granted at a weighted average fair value of \$10.41 (2024 - \$22.82). The fair value of the PSUs granted is recognized as an expense over the period in which the PSUs are expected to vest. The PSUs granted are scheduled to vest based on the achievement of specific non-market performance goals over three years, conditional upon continued employment with the Company. The number of awards expected to vest at grant date has been determined using a Monte Carlo Simulation.

Share appreciation rights ("SARs")

During the six-month period ended June 30, 2025, 100,000 (2024 - 190,000) SARs were granted under the Phantom Option Plan. The weighted average fair value at grant date was \$13.97 per award. The fair value at grant date has been determined using a Monte Carlo Simulation.

Share-based compensation expense

Total expenses, net of recoveries, arising from share-based payment transactions recognized during the three-month and six-month periods ended June 30, 2025 included in employee costs are as follows:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Stock options	—	337	—	684
Restricted share units	71	349	150	445
Deferred share units	279	315	583	593
Share appreciation rights	995	1,041	1,969	2,384
Performance share units	995	154	1,281	295
Share-based compensation expense	2,340	2,196	3,983	4,401

23 Share capital and equity

Common shares

Common shares of the Company are voting shares and have no par value. The authorized share capital is an unlimited number of shares.

The following table shows the change in common shares held during the six-month periods ended:

	June 30, 2025		June 30, 2024	
	Number of common shares	\$	Number of common shares	\$
Issued, beginning of the period	23,150,233	426,146	23,611,175	434,632
Shares repurchased and cancelled under Normal Course Issuer Bid	—	—	(343,242)	(6,319)
Issued, end of the period	23,150,233	426,146	23,267,933	428,313

Treasury shares

The following table shows the change in treasury shares held during the six-month periods ended:

	June 30, 2025		June 30, 2024	
	Number of treasury shares	\$	Number of treasury shares	\$
Outstanding, beginning of the period	(8,542)	(315)	(12,465)	(319)
Treasury shares acquired	(16,665)	(252)	(68,003)	(1,625)
Treasury shares settled	23,279	440	62,674	1,444
Outstanding, end of the period	(1,928)	(127)	(17,794)	(500)

Earnings per share

The following table shows the weighted-average number of shares outstanding and the effect of dilution on earnings per share from continuing operations for the three-month and six-month periods ended:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Basic	23,145,912	23,374,790	23,143,813	23,479,098
Effect of dilution from equity forward	245,174	—	264,158	—
Effect of dilution from RSUs	3,832	—	2,819	—
Effect of dilution from stock options	527,896	—	490,549	—
Effect of dilution from PSUs	285,653	—	276,260	—
Diluted	24,208,467	23,374,790	24,177,599	23,479,098

24 Capital disclosures

The Company's objective when managing its capital is to safeguard the Company's assets and its ability to continue as a going concern while at the same time maximizing the growth of the business, returns to shareholders, and benefits for other stakeholders. The Company views its capital as the combination of long-term indebtedness and equity.

The calculation of the Company's capital is summarized below:

	June 30, 2025 \$	December 31, 2024 \$
Long-term indebtedness (Note 20)	478,524	517,543
Equity	498,180	495,328
	976,704	1,012,871

The Company manages its capital structure in accordance with changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may assume additional debt, refinance existing debt with different characteristics, sell assets to reduce debt, issue or repurchase shares, or adjust the amount of dividends paid to its shareholders.

Gross lease adjusted indebtedness

Gross lease adjusted indebtedness is one measure used by management to evaluate the leverage of the Company. Gross lease adjusted indebtedness is calculated as total indebtedness plus lease liabilities, as follows:

	June 30, 2025 \$	December 31, 2024 \$
Total indebtedness (Note 20)	502,239	541,651
Lease liabilities	420,659	457,172
Gross lease adjusted indebtedness	922,898	998,823

25 Financial instruments

Fair value of financial instruments

The Company's financial instruments as at June 30, 2025 are represented by cash, trade and other receivables, other assets, trade and other payables, other liabilities, revolving floorplan facilities, vehicle repurchase obligations, indebtedness, redemption liabilities, and derivative financial instruments.

The fair values of cash, trade and other receivables, trade and other payables, other liabilities, and revolving floorplan facilities approximate their carrying values due to their short-term nature.

The call option included in other assets (Level 3) is remeasured at fair value each reporting period with the gain or loss being recognized through profit or loss. The fair value of the call option is calculated based on the equity value of the related subsidiary using the discounted cash flow method. The fair value of the call option is \$nil (2024 - \$nil).

The indebtedness has a carrying value that approximates the fair value due to the floating rate nature of the debt. While there is a portion that has a fixed rate, the indebtedness has a carrying value that is not materially different from its fair value except for senior unsecured notes. The fair value of senior unsecured notes is \$330,750 (2024 - \$326,956). The fair value of senior unsecured notes is based on discounted cash flows using a current market rate.

Derivative instruments are made up of interest rate swap agreements and foreign exchange forward contracts (Level 2). The fair value of both instruments is calculated as the present value of the future cash flows. Both contractually agreed payments and forward rates are used to calculate the cash flows, which are then discounted on the basis of a yield curve that is observable in the market.

Redemption liabilities (Level 3) are remeasured at fair value each reporting period with the gain or loss being recognized through profit or loss. Fair value of the 15154871 Canada Inc. (the "Online C2C F&I Business") redemption liability is calculated based on the enterprise value of the related subsidiary using the discounted cash flow method. Fair value of the other redemption liabilities are calculated based on an applicable multiple applied to projected earnings before interest, taxes, depreciation, and amortization.

The fair value was determined based on the prevailing and comparable market interest rates.

The fair value hierarchy categorizes fair value measurements into three levels based upon the inputs to valuation technique, which are defined as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (or unobservable inputs).

There were no transfers between the levels of the fair value hierarchy during the period.

Liquidity risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due or can do so only at excessive cost. The Company's activity is financed through a combination of the cash flows from operations, borrowing under existing credit facilities, other debt, and the issuance of equity. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through adequate amounts of committed credit facilities. One of management's primary goals is to maintain an optimal level of liquidity through the active management of assets and liabilities as well as cash flows.

As at June 30, 2025, the Company's liquidity consists of \$62,409 in cash on hand, and \$257,400 available to borrow under the Company's revolving term facilities. The Company monitors for compliance with bank covenants under these facilities which are used to manage capital requirements and other operational activities. The Company's ability to borrow under these credit facilities requires it to comply with its financial covenants. In order to advance under these credit facilities, no material adverse change shall have occurred and no circumstances shall exist that could reasonably be expected to cause a material adverse effect on the Company. As disclosed in Note 20, the Company was in compliance with all covenants as at June 30, 2025. Under the amended and extended credit facility, the Company is required to comply with the following covenants at the end of each quarter:

Financial Covenants	Requirement	Q2 2025	Q3 2025	Q4 2025
Total Net Funded Debt to Bank EBITDA Ratio	Shall not exceed	6.00	4.50	4.00
Fixed Charge Coverage Ratio	Shall not be less than	1.20	1.20	1.20

During the six-month period ended June 30, 2025, the Company had comprehensive income of \$7,639 and cash flows from operations of \$38,284. The Company is actively managing an increased liquidity risk as a result of the current financial performance.

Given the Company's increased risk of non-compliance with the Total Net Funded Debt to Bank EBITDA covenant, management is required to consider whether these conditions give rise to substantial doubt about the Company's ability to meet its obligations within one year from the balance sheet date, and if so, whether management's plans to negate these conditions will alleviate the increased liquidity risk and going concern risk.

As explained in Note 20, the Company obtained lender consent to change its syndicated credit agreement to increase the Company's maximum permitted Total Net Funded Debt to EBITDA Ratio to address the increased risk of non-compliance with covenants associated with the revolving term facilities.

At this time, the Company's ability to comply with its financial covenants in the next twelve months is dependent on continued agreement with the Company's lenders, accelerating initiatives to improve profitability, suspending mergers and acquisitions and capital return initiatives, freezing discretionary spending, and actively reviewing strategic alternatives for non-core and underperforming assets. It is the Company's view that those efforts will be successful, however this is an area of significant judgment that is reliant on the outcomes of those efforts and there are no assurances that those efforts will be successful.

26 Net change in non-cash working capital

The following table summarizes the net change in cash due to changes in non-cash working capital for the three-month and six-month periods ended:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Trade and other receivables	39,127	(17,867)	17,057	(119)
Inventories	74,223	608	167,050	(45,374)
Other assets	(4,567)	(3,160)	6,097	(2,581)
Trade and other payables	(25,879)	23,512	(51,023)	17,451
Revolving floorplan facilities	(109,278)	22,450	(139,383)	76,385
Other liabilities	—	(1)	—	—
Net change in non-cash working capital	(26,374)	25,542	(202)	45,762

27 Dealership terminations and divestiture

Termination of Volvo franchise

On February 14, 2025, the Company terminated its Volvo franchise at Bloomington/Normal Auto Mall, located in Illinois, for cash consideration of \$894. The Volvo franchise was previously held for sale in the U.S. Operations segment, which was presented as a discontinued operation, as at December 31, 2024. A gain of \$894 was recognized on the termination.

Termination of loan agreement with a subsidiary

On March 7, 2025, the Company terminated an agreement with a Subsidiary within the Canadian Operations segment, which impacted the contractual rights that provided control over the subsidiary, such that it is no longer controlled by the Company upon termination of the agreement. The termination agreement required the counterparty to pay the Company \$14,502 for repayment of loans in addition to \$15,605 for accrued interest, accrued royalty fees, and a termination fee. A gain of \$11,598 was recognized on the termination.

Divestiture of North Toronto Auction

On April 30, 2025, the Company sold substantially all of the operating assets and associated liabilities of North Toronto Auction located in Innisfil, Ontario for cash consideration. Gross proceeds of \$3,291 resulted in a pre-tax loss on divestiture of \$1,513 included in the Condensed Interim Consolidated Statements of Comprehensive Income (Loss).

Termination of Alfa Romeo and FIAT franchise

On May 28, 2025, the Company terminated its Alfa Romeo and FIAT franchise at Maple Ridge Chrysler Dodge Jeep Ram & Fraser Valley Alfa Romeo, located in Maple Ridge, British Columbia.

28 Related party transactions

Transactions with related parties

During the three-month and six-month periods ended June 30, 2025, there were transactions with companies controlled by the Executive Chair. These counterparties are:

- A vehicle wholesale and export business that supplies and purchases used vehicles with the Company; and
- A firm, that provides administrative, limited transportation, and other support services.

All significant transactions between AutoCanada and related parties are reviewed by the Company's Board of Directors and are based on normal commercial terms and conditions. A summary of the transactions is as follows:

	Three-month period ended		Six-month period ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$	\$	\$	\$
Administrative and other support and transportation fees	578	549	980	990
Vehicle purchases from related parties	—	162	—	162
Vehicle sales to related parties	829	480	1,278	545

29 Segmented reporting

During the six-month period ended June 30, 2025, the Executive Chair served as the function of the Chief Operating Decision Maker (CODM). The Executive Chair is responsible for allocating resources and assessing the performance of the following segments: Canadian Operations and U.S. Operations.

Each reportable operating segment is comprised of retail automobile dealerships and related businesses. The Company's RightRide division in its Canadian Operations and retail automobile dealerships in its U.S. Operations have been classified and presented as discontinued operations (Note 15).

Transactions between reportable segments are accounted for in accordance with the accounting policies described in the summary of significant accounting policies.

AutoCanada's corporate office has been included in the Canadian Operations segment, as it is located in Canada.

The Company's CODM measures the performance of each operating segment based on operating profit. The segmented information is set out in the following tables:

	Three-month period ended June 30, 2025			Three-month period ended June 30, 2024 Revised ⁽¹⁾		
	Canada	U.S.	Total	Canada	U.S.	Total
	\$	\$	\$	\$	\$	\$
Revenue						
Total revenue	1,337,980	149,664	1,487,644	1,409,829	191,150	1,600,979
Revenue from discontinued operations (Note 15)	(306)	(149,139)	(149,445)	(28,679)	(191,150)	(219,829)
Revenue from continuing operations	1,337,674	525	1,338,199	1,381,150	—	1,381,150

	Six-month period ended June 30, 2025			Six-month period ended June 30, 2024 Revised ⁽¹⁾		
	Canada \$	U.S. \$	Total \$	Canada \$	U.S. \$	Total \$
Revenue						
Total revenue	2,587,737	304,545	2,892,282	2,650,108	371,799	3,021,907
Revenue from discontinued operations (Note 15)	(9,963)	(304,020)	(313,983)	(56,921)	(371,799)	(428,720)
Revenue from continuing operations	2,577,774	525	2,578,299	2,593,187	—	2,593,187

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

	Three-month period ended June 30, 2025			Three-month period ended June 30, 2024 Revised ⁽¹⁾		
	Canada \$	U.S. \$	Total \$	Canada \$	U.S. \$	Total \$
Operating profit (loss) before other income	54,331	3,717	58,048	33,054	(4,544)	28,510
Lease and other income, net	1,785	113	1,898	1,199	187	1,386
Gains on disposal of assets, net	862	(16)	846	3,359	—	3,359
Expected credit losses on trade and other receivables	(184)	—	(184)	(709)	—	(709)
Impairment of non-financial assets (Note 17)	(2,380)	—	(2,380)	—	(11,309)	(11,309)
Operating profit (loss)	54,414	3,814	58,228	36,903	(15,666)	21,237
Finance costs (Note 9)	(24,316)	(3,511)	(27,827)	(30,788)	(6,252)	(37,040)
Finance income (Note 9)	296	—	296	58	—	58
Loss on settlement of redemption liability	(1,183)	—	(1,183)	(642)	—	(642)
Other gains (losses), net	(2,338)	—	(2,338)	266	—	266
Income for the period before taxation	26,873	303	27,176	5,797	(21,918)	(16,121)
Loss (income) for the period before taxation from discontinued operations (Note 15)	461	(429)	32	1,505	21,918	23,423
Income (loss) for the period before taxation from continuing operations	27,334	(126)	27,208	7,302	—	7,302

	Six-month period ended June 30, 2025			Six-month period ended June 30, 2024 Revised ⁽¹⁾		
	Canada \$	U.S. \$	Total \$	Canada \$	U.S. \$	Total \$
Operating profit (loss) before other income	76,347	1,455	77,802	54,667	(7,603)	47,064
Lease and other income, net	3,466	94	3,560	3,589	346	3,935
Gains on disposal of assets, net	12,798	881	13,679	22,626	—	22,626
Expected credit losses on trade and other receivables	(1,306)	—	(1,306)	(1,600)	—	(1,600)
Impairment of non-financial assets (Note 15, 17)	(5,749)	—	(5,749)	(7,200)	(11,309)	(18,509)
Operating profit (loss)	85,556	2,430	87,986	72,082	(18,566)	53,516
Finance costs (Note 9)	(53,957)	(8,796)	(62,753)	(60,948)	(12,394)	(73,342)
Finance income (Note 9)	732	—	732	786	—	786
Gain on redemption liabilities	1,141	—	1,141	(642)	—	(642)
Other gains, net	(1,264)	—	(1,264)	348	—	348
Income (loss) for the period before taxation	32,208	(6,366)	25,842	11,626	(30,960)	(19,334)
Loss for the period before taxation from discontinued operations (Note 15)	6,746	6,145	12,891	2,877	30,960	33,837
Income (loss) for the period before taxation from continuing operations	38,954	(221)	38,733	14,503	—	14,503

¹ Comparative period revised to reflect current period presentation for reclassification of discontinued operations (Note 15).

	As at June 30, 2025			As at December 31, 2024		
	Canada \$	U.S. \$	Total \$	Canada \$	U.S. \$	Total \$
Assets held for sale (Note 14, 15)	12,762	290,509	303,271	6,658	326,035	332,693
Segment assets	2,463,298	299,445	2,762,743	2,672,660	333,168	3,005,828
Capital expenditures and acquisition of real estate	10,360	222	10,582	25,154	2,664	27,818
Liabilities held for sale (Note 14, 15)	—	151,399	151,399	—	201,966	201,966
Segment liabilities	1,670,079	594,484	2,264,563	1,906,801	603,699	2,510,500

30 Seasonal nature of the business

The Company's results from operations for the three-month and six-month periods ended June 30, 2025 are not necessarily indicative of the results that may be expected for the full fiscal year due to seasonal variations in sales levels. The results from operations and financial performance of the Company have historically been lower in the first and fourth quarters of each year, largely due to consumer purchasing patterns during the holiday season, inclement weather, and the number of business days during the period. The timing of acquisitions and divestitures may also cause substantial fluctuations in operating results from quarter to quarter.

31 Subsequent events

Divestiture of Crystal Lake Chrysler Dodge Jeep Ram

On July 29, 2025, the Company sold substantially all of the operating assets of Crystal Lake Chrysler Dodge Jeep Ram, located in Crystal Lake, Illinois, for cash consideration of \$9,949 plus closing adjustments. Crystal Lake Chrysler Dodge Jeep Ram was presented as held for sale in the U.S. Operations segment as at June 30, 2025 (Note 14).

Executive Chair transition

On July 11, 2025, the Company announced that Paul Antony will transition from his role as Executive Chair. The Board of Directors has begun a search for a Chief Executive Officer.



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