AutoCanada

2025

Third Quarter Management Discussion & Analysis

AUTOCAN.CA

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three-month and nine-month periods ended September 30, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

1. READER ADVISORIES AND FORWARD-LOOKING STATEMENTS

This Management's Discussion & Analysis ("MD&A") was prepared as of November 13, 2025, to assist readers in understanding AutoCanada Inc.'s (the "Company" or "AutoCanada") consolidated financial performance for the three-month period and nine-month period ended September 30, 2025, and significant trends that may affect AutoCanada's future performance. The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements and accompanying notes of AutoCanada as at and for the three-month period and nine-month period ended September 30, 2025 (the "Interim Financial Statements"), the audited annual consolidated financial statements and accompanying notes of AutoCanada as at and for the year ended December 31, 2024 (the "Annual Financial Statements"), and the MD&A for the year ended December 31, 2024. The 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. The Annual Financial Statements have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards are referred to as GAAP in this MD&A. Results are reported in Canadian dollars and have been rounded to the nearest thousand dollars, unless otherwise stated.

The Company's Board of Directors, upon recommendation of its Audit Committee, approved the contents of this MD&A on November 13, 2025.

To provide more meaningful information, this MD&A typically refers to the operating results for the three-month period and nine-month period ended September 30, 2025 of the Company, and compares these to the operating results of the Company for the three-month period and nine-month period ended September 30, 2024.

This MD&A also makes reference to certain non-GAAP measures ("Non-GAAP Measures"), capital management measures, and supplementary financial measures to assist users in assessing AutoCanada's performance. Non-GAAP Measures and other financial measures do not have any standard meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures are identified and described under Section 13 Non-GAAP and Other Financial Measures.

Same store metrics include dealerships, collision centres and related businesses which have been owned for at least one full year since acquisition or opening. Results from same stores divested or wound down in the current period are removed from both the current period and the comparative period. Therefore, amounts presented in the comparative period may differ from the same store amounts presented in the prior year. Refer to Section 5 Acquisitions, Divestitures, and Other Recent Developments and Section 18 Same Store Results Data for further details.

Additional information regarding the Company, including AutoCanada's most recent Annual Information Form (the "AIF"), is available on the System for Electronic Document Analysis and Retrieval ("SEDAR+") website at www.sedarplus.ca and the Company's website at www.autocan.ca.

FORWARD-LOOKING STATEMENTS

Certain statements contained in the MD&A are forward-looking statements and information (collectively "forward-looking statements"), within the meaning of the applicable Canadian securities legislation. We hereby provide cautionary statements identifying important factors that could cause actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "will continue", "is anticipated", "projection", "vision", "goals", "objective", "target", "schedules", "outlook", "anticipate", "expect", "estimate", "could", "should", "plan", "seek", "may", "intend", "likely", "will", "believe", "shall" and similar expressions) and the financial outlook in Section 3 Market and Financial Outlook in this MD&A are not all historical facts and are forward-looking and may involve estimates and assumptions and are subject to risks, uncertainties and other factors some of which are beyond our control and difficult to predict.

Forward-looking statements and financial outlook in this MD&A include: AutoCanada's future financial position, expected run-rate operational expense savings from the implementation of the ACX Operating Method, the expected aggregate proceeds from the U.S. dealership divestitures, the completion and the anticipated timing of completion of the U.S. dealership disposition transactions, engagement in selling the remaining dealerships of the U.S. Operations segment, and the impact of the U.S. dealership divestitures on the Company's leverage ratio.

Forward-looking statements and financial outlook provide information about management's expectations and plans for the future and may not be appropriate for other purposes. Forward looking statements and financial outlook are based on various assumptions, and expectations that AutoCanada believes are reasonable in the circumstances. No assurance can be given that these assumptions and expectations will prove correct. Those assumptions and expectations are based on information currently available to AutoCanada, including information obtained from third-party consultants and other third-party sources, and the historic performance of AutoCanada's businesses. AutoCanada cautions that the assumptions used to prepare such forward-looking statements and financial outlook, including AutoCanada's expected run-rate operational expense savings through the transformation plan, could prove to be incorrect or inaccurate.

In preparing the forward-looking statements and financial outlook, AutoCanada considered numerous economic, market and operational assumptions, including key assumptions listed under Section 3 Market and Financial Outlook of this MD&A.

The forward-looking statements and financial outlook are also subject to the risks and uncertainties set forth below. By their very nature, forward-looking statements and financial outlook involve numerous assumptions, risks and uncertainties, both general and specific. Should one or more of these risks and uncertainties materialize or should underlying assumptions prove incorrect, as many important factors are beyond our control, AutoCanada's actual performance and financial results may vary materially from those estimates and expectations contemplated, expressed or implied in the forward-looking statements or financial outlook. These risks and uncertainties include risks relating to failure to realize expected cost-savings, cost overruns in one-time restructuring expenses, compliance with laws and regulations, reduced customer demand, operational risks, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) this MD&A under Section 12 Risk Factors and (ii) AutoCanada's most recent AIF. The preceding list of assumptions, risks and uncertainties is not exhaustive.

Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements and financial outlook. Therefore, any such forward-looking statements and financial outlook are qualified in their entirety by reference to the factors discussed throughout this document.

Details of the Company's material forward-looking statements and financial outlook are included in the Company's most recent AIF. The AIF and other documents filed with securities regulatory authorities (accessible through the SEDAR+ website www.sedarplus.ca) describe the risks, material assumptions, and other factors that could influence actual results and which are incorporated herein by reference.

When relying on our forward-looking statements and financial outlook to make decisions with respect to AutoCanada, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Any forward-looking statements and financial outlook are provided as of the date of this document and, except as required by law, AutoCanada does not undertake to update or revise such statements to reflect new information, subsequent or otherwise. For the reasons set forth above, investors should not place undue reliance on forward-looking statements or financial outlook.

2. EXECUTIVE SUMMARY

Business Overview

Operations

AutoCanada's Canadian Operations segment, as of September 30, 2025, operates 64 franchised dealerships in Canada, comprised of 23 brands, in 8 provinces. AutoCanada currently sells Acura, Audi, BMW, Buick, Cadillac, Chevrolet, Chrysler, Dodge, Ford, GMC, Honda, Hyundai, Infiniti, Jeep, Kia, Mazda, Mercedes-Benz, MINI, Nissan, Porsche, Ram, Subaru, and Volkswagen branded vehicles. In addition, AutoCanada's Canadian Operations segment currently operates 3 independent used dealerships ("Used Vehicle Operations") and 14 stand-alone collision centres within our group of 30 collision centres ("Collision Centres"). In 2024, our Canadian dealerships sold approximately 85,000 new and used retail vehicles. In addition, our Collision Centres offer an opportunity for the Company to retain customers at every touchpoint within the automotive ecosystem.

AutoCanada's U.S. Operations segment, operating as Leader Automotive Group ("Leader"), operates 13 franchised dealerships comprised of 9 brands, in Illinois, USA. Leader currently sells Audi, Hyundai, Kia, Lincoln, Mercedes-Benz, Porsche, Subaru, Toyota, and Volkswagen branded vehicles. In 2024, our U.S. dealerships sold approximately 12,900 new and used retail vehicles.

Presentation of Continuing Operations and Discontinued Operations

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. Refer to Section 5 Acquisitions, Divestitures, and Other Recent Developments in this MD&A and the Annual Financial Statements for further information.

Seasonality

The Company’s results from operations for the three-month period and nine-month period ended September 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 Company’s operating results and financial performance have historically been lower in the first and fourth quarters than during the second and third quarters of each year. The timing of acquisitions and divestitures may also cause substantial fluctuations in operating results from quarter to quarter.

2025 Third Quarter Key Highlights and Recent Developments

All comparisons presented below are between the three-month periods ended September 30, 2025 and September 30, 2024 and are based on continuing operations, unless otherwise indicated.

AutoCanada Key Highlights

- Revenue from continuing operations was $1,201.5 million as compared to $1,412.5 million in the prior year, a decrease of $211.0 million
- Net income for the period from total operations was $16.8 million as compared to $7.1 million in the prior year
  - Net (loss) income from continuing operations was $(2.9) million as compared to $27.2 million in the prior year
  - Net income (loss) from discontinued operations was $19.7 million as compared to net loss of $(20.1) million in the prior year
- Diluted net (loss) income per share from continuing operations of $(0.14) as compared to $1.09 in the prior year
- Adjusted EBITDA[1] from total operations was $52.3 million as compared to $53.2 million in the prior year
  - Adjusted EBITDA from continuing operations was $58.1 million as compared to $63.1 million in the prior year
  - Adjusted EBITDA from discontinued operations was $(5.8) million as compared to $(9.9) million in the prior year
- Total Net Funded Debt to Bank EBITDA Ratio[3] decreased from 3.42x as at June 30, 2025 to 3.40x as at September 30, 2025

THIRD QUARTER RESULTS

	Three-Months Ended September 30		
Continuing Operations Financial Results	**2025**	**2024 Revised [4]**	**% Change**
Revenue	1,201,457	1,412,525	(14.9)%
Same store revenue	1,200,161	1,369,586	(12.4)%
Gross profit	187,411	240,988	(22.2)%
Gross profit percentage [2]	15.6%	17.1%	(1.5) ppts
Operating expenses ("Opex")	161,807	180,274	(10.2)%
Net (loss) income	(2,901)	27,159	(110.7)%
Basic net (loss) income per share attributable to AutoCanada shareholders	(0.15)	1.13	(113.3)%
Diluted net (loss) income per share attributable to AutoCanada shareholders	(0.14)	1.09	(112.8)%
Adjusted EBITDA	58,091	63,103	(7.9)%
Adjusted EBITDA margin [1]	4.8%	4.5%	0.3 ppts
New retail vehicles sold (units) [2]	7,898	9,599	(17.7)%
Used retail vehicles sold (units) [2]	10,048	13,279	(24.3)%
New vehicle gross profit per retail unit [2]	4,183	4,607	(9.2)%
Used vehicle gross profit per retail unit [2]	735	1,767	(58.4)%
Parts and service ("P&S") gross profit	67,596	77,164	(12.4)%
Collision repair ("Collision") gross profit	17,334	17,527	(1.1)%
Finance, insurance and other ("F&I") gross profit per retail unit average [2]	3,346	3,301	1.4%
Operating expenses before depreciation [2]	148,806	166,565	(10.7)%
Operating expenses before depreciation as a % of gross profit [2]	79.4%	69.1%	10.3 ppts
Normalized opex before depreciation [1]	126,288	164,956	(23.4)%
Normalized opex before depreciation as a percentage of gross profit (%) [1]	67.4%	68.4%	(1.0) ppts
Floorplan financing expense	8,871	15,923	(44.3)%

[4] *Comparative period revised to reflect current period presentation for reclassification of discontinued operations.*

[1] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of these Non-GAAP Measures.*
[2] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of these supplementary financial measures*
[3] *See section 6. LIQUIDITY AND CAPITAL RESOURCES for further information regarding the composition of this financial covenant.*

Revenue decreased by (14.9)% in the third quarter of 2025 compared to the third quarter of 2024, primarily due to decreases in new vehicle sales, used vehicle sales, parts and service and F&I. This decline is partially offset by an increase in revenue from collision repair services.

Gross profit decreased by (22.2)% to $187.4 million in the third quarter of 2025 compared to the third quarter of 2024, driven by decreases in new vehicle, used vehicle, parts and service, collision repair services and F&I gross profits. Key factors contributing to the decrease in gross profit include the impact of lower overall total retail[4] unit volumes from both new and used during the quarter, and lower new and used vehicle gross profit per retail unit.

Operating expenses before depreciation decreased by (10.7)% to $148.8 million in the third quarter of 2025 compared to the third quarter of 2024. Normalized operating expenses before depreciation decreased by (23.4)% to $126.3 million, and included the normalization of $17.6 million of restructuring charges related to the ongoing initiatives targeting $115.0 million in annual run-rate cost savings by the end of 2025.

Floorplan financing expenses decreased (44.3)% to $8.9 million due to reduced new and used vehicle inventory levels and lower interest rates. Inventory management has been a focus in conjunction with the implementation of the ACX Operating Method.

Net (loss) income for the period decreased by (110.7)% to $(2.9) million in the third quarter of 2025 compared to the third quarter of 2024, as a result of items noted above, partially offset by lower income taxes.

Adjusted EBITDA decreased by (7.9)% to $58.1 million in the third quarter of 2025 compared to the third quarter of 2024, while adjusted EBITDA margin increased by 0.3 ppts to 4.8%. The increase in margin was driven by lower operating expenses before depreciation and lower floorplan financing expenses as noted above, partially offset by decreases in gross profit.

Same Store Metrics - Continuing Operations Highlights

	Three-Months Ended September 30		
Same Store - Continuing Operations Financial Results	**2025**	**2024 Revised[1]**	**% Change**
Revenue	1,200,161	1,369,586	(12.4)%
Gross profit	187,088	230,990	(19.0)%
Gross profit percentage	15.6%	16.9%	(1.3) ppts
New retail vehicles sold (units)	7,898	9,245	(14.6)%
Used retail vehicles sold (units)	10,048	12,890	(22.0)%
New vehicle gross profit per retail unit	4,183	4,621	(9.5)%
Used vehicle gross profit per retail unit	736	1,647	(55.3)%
P&S gross profit	67,587	72,702	(7.0)%
Collision gross profit	17,016	17,527	(2.9)%
F&I gross profit per retail unit average	3,346	3,314	1.0%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Same store results make up 99.9% of revenue and 99.8% of gross profit in the current quarter. Refer to Section 18 Same Store Results Data for further information.

Revenue decreased by (12.4)% primarily driven by lower new vehicle revenues (9.4)%, used vehicle revenues (18.5)%, parts and service (8.5)% and F&I (12.9)%, which are partially offset by higher Collision 15.1%.

Gross profit decreased (19.0)% primarily as a result of decreases in new vehicle gross profit (22.2)%, used vehicle gross profit (63.6)%, parts and service (7.0)%, collision repair services (2.9)% and F&I (18.2)%.

New vehicle gross profit declined (22.2)% in the third quarter of 2025 compared with the third quarter of 2024, driven mainly by a lower new retail volumes (14.6)% and lower gross profit per new retail unit average (9.5)%.

Used vehicle gross profit declined (63.6)% in the third quarter of 2025 compared with the third quarter of 2024, driven mainly by a lower used retail volumes (22.0)% and lower gross profit per used retail unit average (55.3)%.

Tighter inventory management, the transition of strategic used vehicle marketing providers, and near term disruption as we finalize the execution of the broader ACX transformation plan impacted used and new unit volumes in the third quarter of 2025. Additionally, the CDK outage incident in the second quarter of 2024 resulted in deferred demand that shifted into the third quarter of 2024 and created an abnormally high comparative period. Used vehicle gross profit, and gross profit per retail unit sold decreased mainly driven by used vehicle sourcing. In addition, used

[4] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this supplementary financial measure.*

and new vehicle gross profit per unit decreased consistent with the industry wide trends. As we rebuild our used inventory levels ahead of the Spring selling season we view this as an area of opportunity.

Parts and service gross profit declined (7.0)% in the third quarter of 2025 compared with the third quarter of 2024, driven mainly by a lower number of service repair orders which is mainly a result of the abnormally high comparative period caused by deferred demand from the CDK outage in the second quarter of 2024 and near term disruption as we finalize the execution of the broader ACX transformation plan.

F&I gross profit decreased (18.2)% in the third quarter of 2025 compared with the third quarter of 2024, driven mainly by lower retail volumes. This was partially offset by higher gross profit per retail unit average. which increased 1.0% in the third quarter of 2025 compared with the prior year period, driven by an increase in products sold per deal.

Collision Operations Highlights

	Three-Months Ended September 30		
Collision Financial Results	**2025**	**2024**	**% Change**
Revenue	37,519	31,487	19.2%
Gross profit	17,334	17,527	(1.1)%
Gross profit percentage	46.2%	55.7%	(9.5) ppts
Adjusted EBITDA	4,774	4,865	(1.9)%
Same store revenue	36,227	31,487	15.1%
Same store gross profit	17,016	17,527	(2.9)%
Same store gross profit percentage	47.0%	55.7%	(8.7) ppts

Revenue increased as a result of strong customer demand, additional Original Equipment Manufacturer ("OEM") certifications, increased insurance referrals and increased paintless dent repair.

Gross profit and gross profit percentage decreased due to an increase in paintless dent repair which has a lower margin profile than traditional collision repair.

Trends in the same store revenue, gross profit and gross profit percentage are consistent with overall business performance, with the reasons noted above.

Adjusted EBITDA decreased as a result of a higher mix of paintless dent repair which drove revenue growth and led to gross profit and gross profit percentage decreases described above.

Other Recent Developments

During the quarter:

- 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.
- On July 16, 2025, the Company announced that it has entered into definitive agreements to sell 13 franchised dealerships in its U.S. Operations segment for expected aggregate proceeds of approximately $82.7 million which includes approximately $6.4 million for real estate. The transactions are subject to customary closing conditions, including OEM approvals, and are anticipated to close within the next six months.
- On July 21, 2025, the Company announced that it has selected CarGurus as its preferred partner in Canada supporting digital marketing efforts.
- 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 $11.9 million 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.
- On August 13, 2025, the Company announced the appointment of Felix-Etienne Lebel to the Board of Directors.
- On August 20, 2025, the Company sold substantially all of the operating assets of Chevrolet of Palatine and Hyundai of Palatine, located in Palatine, Illinois, for cash consideration of $12.0 million plus closing adjustments. Chevrolet of Palatine and Hyundai of Palatine were previously presented as held for sale in the U.S. Operations segment.
- On August 26, 2025, the Company sold substantially all of the operating assets of North City Honda, located in Chicago, Illinois, for cash consideration of $19.8 million plus closing adjustments. North City Honda was previously presented as held for sale in the U.S. Operations segment.

- On September 22, 2025, S&P Global Ratings (“S&P”), an independent credit rating agency, revised our outlook from 'Negative' to 'Stable'.

After the quarter:

- On October 6, 2025, the Company completed the acquisition of Doug’s Place Strathcona, a collision and refinish repair facility located in Edmonton, Alberta, which is included within the Canadian Operations segment.
- On October 28, 2025, the Company announced the appointment of AutoCanada's Chief Financial Officer to the role of Interim Chief Executive Officer. Concurrently, the Executive Chair transitioned out of his role as AutoCanada's Executive Chair and as a director of the Company. In addition, the Company’s Chief Strategy Officer & General Counsel will be transitioning out of his respective roles later this year.
- On November 13, 2025, the Company announced that AutoCanada's Chief Operating Officer and President, North American Operations will be transitioning out of their respective roles.

3. MARKET AND FINANCIAL OUTLOOK

The Canadian new light vehicle market demonstrated resilience in the third quarter of 2025, with industry sales rising modestly year-over-year, despite ongoing macroeconomic uncertainty. Affordability pressures and tariff-related uncertainty persisted, weighing on demand in certain segments. Against this backdrop, the Company's same-store new light vehicle unit sales declined (14.6)% year-over-year, underperforming the broader market. This performance was influenced by a combination of factors, including brand mix dynamics and a difficult year-over-year comparison. The resumption of CDK services in the third quarter of 2024, following the prior quarter's outage, resulted in elevated transaction and service activity during that period. These levels were not sustained into subsequent quarters, creating a challenging comparison base for 2025.

Additionally, throughout the quarter, the Company remained almost singularly focused on completing the ACX Operating Method by year-end, dedicating significant management and operational attention to embedding sustainable cost and process efficiencies. This focus temporarily constrained frontline sales capacity and execution, as resources were directed toward ensuring long-term implementation success. With the transformation now approaching completion, the Company is positioning to refocus on normalizing sales activity in line with the broader market during 2026. This will enable the Company to realize operating leverage from a leaner, more durable cost structure, supporting sustained profitability and efficiency gains over the long term.

As of the end of Q3 2025, the Company has achieved $98.1 million in cumulative annual run-rate cost savings versus its goal of $115.0 million by the end of the year. This includes:

- $47.7 million from to Store Archetype versus a year-end run rate target of $60.7 million ($70.0 million prior)
- $32.6 million from Expense Management versus a year-end run rate target of $35.8 million ($27.5 million prior)
- $12.5 million from Inventory Management versus a year-end run rate target of $12.5 million ($9.0 million prior)
- $5.3 million from Centralized Services versus a year-end run rate target of $6.0 million ($5.0 million prior)

The Company expects to achieve a total of $115.0 million in run-rate annualized savings by year-end 2025, which is consistent with prior guidance.

The Company has updated its financial outlook on the timing of in-quarter savings, restructuring costs, net in-quarter savings, and cumulative annualized run-rate savings, as outlined in the table below.

ACX Operating Method

$ millions		Q1 2025 Actual		Q2 2025 Actual		Q3 2025 Actual		Q4 2025 Expected		FY2025 Expected	
In-Quarter Savings	Actual	14.1	Actual	19.7	Actual	23.3	Revised	23.5	Revised	80.6
	PG[3]	5.3	PG[3]	14.5	PG[3]	19.4	PG[3]	23.9	PG[3]	63.1
Restructuring Costs[1]	Actual	(15.8)	Actual	(7.3)	Actual	(20.0)	Revised	(1.5)	Revised	(44.6)
	PG[3]	(15.5)	PG[3]	(9.5)	PG[3]	(4.0)	PG[3]	(1.5)	PG[3]	(30.5)
Net In-Quarter Savings	**Actual**	**(1.7)**	**Actual**	**12.4**	**Actual**	**3.3**	**Revised**	**22.0**	**Revised**	**36.0**
	PG[3]	**(10.2)**	**PG[3]**	**5.0**	**PG[3]**	**15.4**	**PG[3]**	**22.4**	**PG[3]**	**32.6**
Cumulative Annualized Run-Rate Savings[2]	Actual	57.1	Actual	80.0	Actual	98.1	Revised	115.0	Revised	115.0
	PG[3]	36.0	PG[3]	64.0	PG[3]	82.0	PG[3]	100.0	PG[3]	100.0

1 *Restructuring costs include separation costs, strategic advisor fees and other charges.*
2 *Cumulative Annualized Run Rate Savings uses trailing twelve month Q2 2024 actuals as the baseline and reflects continuing operations.*
3 *Prior Guidance as disclosed in the MD&A for the year ended December 31, 2024.*

U.S. Divestiture Update

We continue to make progress on the sale of our U.S. dealerships, with approximately $37 million in proceeds, net of working capital, received to date and an additional $12 million of proceeds is expected to be received before year-end.

The Company has entered into letters of intent for the sale of all remaining U.S dealerships, bringing total expected proceeds to approximately $130 million, toward the upper end of our previously disclosed range of $115 million to $130 million.

The proceeds from these transactions will be directed toward debt reduction and to further strengthen our focus on our core Canadian dealership and collision operations. Each transaction remains subject to customary closing conditions, including OEM approvals.

Overall, the planned divestitures are expected to enhance financial flexibility, fortify the balance sheet, and accelerate progress toward the Company's targeted 2.0x–3.0x Total Net Funded Debt to Bank EBITDA leverage ratio.

Forward-Looking Statements and Financial Outlook

Forward-looking statements with respect to the expected aggregate proceeds from the U.S. dealership and the divestitures, the anticipated timing of completion of the disposition transactions, and the engagement in selling the remaining dealerships of the U.S. Operations segment is disclosed to assist current and future shareholders to evaluate the effectiveness of the U.S. divestiture strategy and readers are cautioned that it may not be suitable for any other purpose. The expected aggregate proceeds from the U.S. dealership divestitures, the anticipated timing of completion of the disposition transactions, and the engagement in selling the remaining dealerships of the U.S. Operations segment are based on the assumptions that customary closing conditions will be satisfied, and OEM approvals will be secured. Additional key assumptions or risk factors with respect to the successful execution of our U.S. divestiture strategy is the willingness of buyers, economic stability, and other external factors.

This financial outlook with respect to the transformation plan and the ACX Operating Method is disclosed to assist current and future shareholders to evaluate the effectiveness of AutoCanada's transformation plan and readers are cautioned that it may not be suitable for any other purpose. The expected run-rate operational expense savings are based on the assumptions that staffing optimization, improved store efficiencies and productivity gains, and consolidation of operations will decrease labour and overhead costs. Additional key assumptions or risk factors with respect to achieving the operational expense savings include successful execution, no overruns in one-time restructuring costs incurred in connection with the transformation plan, economic stability, and other external factors.

In addition to the significant assumptions referred to in this section, refer to "Forwarding-Looking Statements" within Section 1 Reader Advisories and Forward-Looking Statements and Section 12 Risk Factors for a detailed review of significant business risks affecting AutoCanada.

As AutoCanada navigates challenging business dynamics, the Company remains focused on strategic realignment and disciplined execution to build resilience, reduce leverage, enhance profitability, and secure a foundation for sustainable growth.

4. RESULTS OF OPERATIONS

Third Quarter Operating Results

Continuing Operations

Revenues, Gross Profit and Gross Profit Percentages

The following tables summarize revenue, gross profit and gross profit percentages for the three-month periods and nine-month periods ended September 30.

	Three-Months Ended September 30			
	2025 $	2024 Revised[1] $	Change $	Change %
New vehicles	550,832	629,421	(78,589)	(12.5)%
Used vehicles	417,955	524,916	(106,961)	(20.4)%
Parts and service	125,044	144,000	(18,956)	(13.2)%
Collision repair	37,519	31,487	6,032	19.2%
Finance, insurance and other	70,107	82,701	(12,594)	(15.2)%
Total revenue	1,201,457	1,412,525	(211,068)	(14.9)%
New vehicles	33,626	44,522	(10,896)	(24.5)%
Used vehicles	8,809	26,245	(17,436)	(66.4)%
Parts and service	67,596	77,164	(9,568)	(12.4)%
Collision repair	17,334	17,527	(193)	(1.1)%
Finance, insurance and other	60,046	75,530	(15,484)	(20.5)%
Total gross profit	187,411	240,988	(53,577)	(22.2)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

	Nine-Months Ended September 30			
	2025 $	2024 Revised[1] $	Change $	Change %
New vehicles	1,719,234	1,730,742	(11,508)	(0.7)%
Used vehicles	1,354,842	1,540,034	(185,192)	(12.0)%
Parts and service	385,403	411,773	(26,370)	(6.4)%
Collision repair	116,265	94,651	21,614	22.8%
Finance, insurance and other	204,012	228,512	(24,500)	(10.7)%
Total revenue	3,779,756	4,005,712	(225,956)	(5.6)%
New vehicles	110,579	130,091	(19,512)	(15.0)%
Used vehicles	53,389	47,253	6,136	13.0%
Parts and service	212,642	225,137	(12,495)	(5.5)%
Collision repair	52,093	47,953	4,140	8.6%
Finance, insurance and other	182,111	208,889	(26,778)	(12.8)%
Total gross profit	610,814	659,323	(48,509)	(7.4)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

	Three-Months Ended September 30			Nine-Months Ended September 30		
	2025 %	2024 Revised[1] %	Change ppts	2025 %	2024 Revised[1] %	Change ppts
New vehicles	6.1%	7.1%	(1.0)	6.4%	7.5%	(1.1)
Used vehicles	2.1%	5.0%	(2.9)	3.9%	3.1%	0.8
Parts and service	54.1%	53.6%	0.5	55.2%	54.7%	0.5
Collision repair	46.2%	55.7%	(9.5)	44.8%	50.7%	(5.9)
Finance, insurance and other	85.6%	91.3%	(5.7)	89.3%	91.4%	(2.1)
Total gross profit percentage	15.6%	17.1%	(1.5)	16.2%	16.5%	(0.3)

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

For the three-months ended September 30, 2025, new and used vehicles generated 80.6% of revenue and 22.6% of gross profit, while F&I, parts and service and Collision generated 19.3% of revenue and contributed 77.3% of gross profit.

New vehicles

For the three-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2025 and changes compared to the three-month period ended September 30, 2024.

	Three-Months Ended September 30			
New Vehicle Financial Results	2025 $	2024 Revised[1] $	Change $	Change %
Revenue	550,832	629,421	(78,589)	(12.5)%
Gross profit	33,626	44,522	(10,896)	(24.5)%
Gross profit percentage (%)	6.1%	7.1%		(1.0) ppts
New retail vehicles sold (units)	7,898	9,599	(1,701)	(17.7)%
New vehicle gross profit per retail unit ($)	4,183	4,607	(424)	(9.2)%
New Vehicle Inventory days of supply (days)[3]	83	98	(15)	(15.3)%
Average selling price per new vehicle ($)	64,819	62,660	2,159	3.4%
Same store revenue	550,832	607,937	(57,105)	(9.4)%
Same store gross profit	33,626	43,198	(9,572)	(22.2)%
Same store gross profit percentage (%)	6.1%	7.1%		(1.0) ppts
Same store new retail vehicles sold (units)	7,898	9,245	(1,347)	(14.6)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue decreased due to a decrease in new retail vehicles sold, partially offset by an increase in average selling price per new vehicle and an increase in revenue from new fleet vehicle[5] sales. The decrease in new retail vehicles sold is in part a result of the CDK outage in the second quarter of 2024 which created deferred demand that shifted into the third quarter of 2024, leading to an abnormally high comparative period. There has also been some near-term disruption as we finalize the execution of the broader ACX transformation plan.

Gross profit decreased as a result of a decrease in new retail units sold and declining gross profit per retail unit is consistent with the industry wide trends.

Gross profit percentage decreased in the third quarter of 2025 as compared to the third quarter of 2024 primarily driven by lower new vehicle gross profit per retail unit, combined with a higher volume of new fleet vehicle sales which is a lower margin business.

New vehicle inventory days of supply decreased by (15) to 83 days of supply during the quarter (2024 - 98 days). Driving a reduction in days of supply has been a focus of management in conjunction with the execution of the ACX Operating Method.

[5] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this supplementary financial measure.*

Same Store Results

Revenue gross profit and gross profit percentage decreased for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2025 and changes compared to the nine-month period ended September 30, 2024.

	Nine-Months Ended September 30			
New Vehicle Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	1,719,234	1,730,742	(11,508)	(0.7)%
Gross profit	110,579	130,091	(19,512)	(15.0)%
Gross profit percentage (%)	6.4%	7.5%		(1.1) ppts
New retail vehicles sold (units)	24,353	26,819	(2,466)	(9.2)%
New vehicle gross profit per retail unit ($)	4,462	4,805	(343)	(7.1)%
New Vehicle Inventory days of supply (days)[4]	88	99	(11)	(11.1)%
Average selling price per new vehicle ($)	65,313	61,435	3,878	6.3%
Same store revenue	1,719,234	1,657,758	61,476	3.7%
Same store gross profit	110,579	125,190	(14,611)	(11.7)%
Same store gross profit percentage (%)	6.4%	7.6%		(1.2) ppts
Same store new retail vehicles sold (units)	24,353	25,616	(1,263)	(4.9)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue decreased due to a decrease in new retail vehicles sold, partially offset by higher average selling price per new vehicle and an increase in revenue from new fleet vehicle[6] sales. New retail vehicles sold has also experienced some disruption as we finalize the broader execution of the ACX transformation plan.

Gross profit decreased as a result of a decrease in new retail units sold and declining gross profit per retail unit which is consistent with the industry wide trends.

New vehicle inventory days of supply decreased by (11) days to 88 days of supply (2024 - 99 days). Driving a reduction in days of supply has been a focus of management in conjunction with the execution of the ACX Operating Method.

Same Store Results

Revenue increased due to higher average selling price per new vehicle and an increase in revenue from new fleet vehicle sales, partially offset by a decrease in new retail vehicles sold.

Gross profit decreased for the reasons noted above.

[6] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of these supplementary financial measures.*

Used vehicles

For the three-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2025 and changes compared to the three-month period ended September 30, 2024.

	Three-Months Ended September 30			
Used Vehicle Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	417,955	524,916	(106,961)	(20.4)%
Gross profit	8,809	26,245	(17,436)	(66.4)%
Gross profit percentage (%)	2.1%	5.0%		(2.9) ppts
Used retail vehicles sold (units)	10,048	13,279	(3,231)	(24.3)%
Used vehicle gross profit per retail unit ($)	735	1,767	(1,032)	(58.4)%
Used Vehicle Inventory days of supply (days) [6]	72	61	11	18.0%
Average selling price per used vehicle ($) [6]	41,596	39,530	2,066	5.2%
Same store revenue	417,955	512,984	(95,029)	(18.5)%
Same store gross profit	8,813	24,200	(15,387)	(63.6)%
Same store gross profit percentage (%)	2.1%	4.7%		(2.6) ppts
Same store used retail vehicles sold (units)	10,048	12,890	(2,842)	(22.0)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue decreased as a result of lower used sales volumes and lower used wholesale revenue, partially offset by higher average selling price per used vehicle. Tighter inventory management, the transition of strategic used vehicle marketing providers and the execution of the broader ACX transformation plan impacted used retail vehicles sold in the third quarter of 2025. Additionally, the decrease in used retail vehicles sold is in part a result of the CDK outage in the second quarter of 2024 which created deferred demand that shifted into the third quarter of 2024, leading to an abnormally high comparative period.

Used vehicle gross profit, and gross profit per retail unit sold decreased which was driven by used vehicle sourcing, and consistent with industry wide trends. As we rebuild our used inventory levels ahead of the Spring selling season, we view this as an area of opportunity. Used vehicle inventory days of supply increased to 72 days (2024 - 61 days).

Same Store Results

Revenue, gross profit, and gross profit percentage decreased for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2025 and changes compared to the nine-month period ended September 30, 2024.

	Nine-Months Ended September 30			
Used Vehicle Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	1,354,842	1,540,034	(185,192)	(12.0)%
Gross profit	53,389	47,253	6,136	13.0%
Gross profit percentage (%)	3.9%	3.1%		0.8 ppts
Used retail vehicles sold (units)	30,546	36,853	(6,307)	(17.1)%
Used vehicle gross profit per retail unit ($)	1,316	1,336	(20)	(1.5)%
Used Vehicle Inventory days of supply (days) [2]	68	66	2	3.0%
Average selling price per used vehicle ($) [2]	44,354	41,789	2,565	6.1%
Same store revenue	1,352,181	1,496,224	(144,043)	(9.6)%
Same store gross profit	51,533	41,442	10,091	24.3%
Same store gross profit percentage (%)	3.8%	2.8%		1.0 ppts
Same store used retail vehicles sold (units)	30,546	35,627	(5,081)	(14.3)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue decreased as a result of lower used sales volumes, partially offset by higher average selling price per used vehicle and higher used wholesale revenue. Tighter inventory management, the transition of strategic used vehicle marketing providers and the execution of the broader ACX transformation plan impacted used retail vehicles sold in the first nine months of 2025.

Used vehicle gross profit, increased driven mainly by improved inventory management, and lapping a used vehicle provision which was taken in the second quarter of 2024, which is partially offset by a decrease in gross profit per unit sold. Used vehicle inventory days of supply increased to 68 days (2024 - 66 days).

Same Store Results

Revenue decreased while gross profit and gross profit percentage increased for the reasons noted above.

Parts and service

For the three-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2025 and changes compared to the three-month period ended September 30, 2024.

	Three-Months Ended September 30			
Parts and Service Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	125,044	144,000	(18,956)	(13.2)%
Gross profit	67,596	77,164	(9,568)	(12.4)%
Gross profit percentage (%)	54.1%	53.6%		0.5 ppts
Same store revenue	125,040	136,687	(11,647)	(8.5)%
Same store gross profit	67,587	72,702	(5,115)	(7.0)%
Same store gross profit percentage (%)	54.1%	53.2%		0.9 ppts

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue and gross profit decreased in the third quarter of 2025 as compared to the third quarter of 2024, driven mainly by a decrease in service repair orders, and near term disruption as we finalize the execution of the broader ACX transformation plan. In addition, the CDK outage in the second quarter of 2024 created deferred demand that shifted into the third quarter of 2024 creating an abnormally high comparative period.

Gross profit percentage remains consistent with prior year as management continues to prioritize gross profit on a per repair order[7] basis.

Same Store Results

Revenue and gross profit decreased, while gross profit percentage remained consistent with prior year for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2025 and changes compared to the nine-month period ended September 30, 2024.

	Nine-Months Ended September 30			
Parts and Service Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	385,403	411,773	(26,370)	(6.4)%
Gross profit	212,642	225,137	(12,495)	(5.5)%
Gross profit percentage (%)	55.2%	54.7%		0.5 ppts
Same store revenue	385,240	388,703	(3,463)	(0.9)%
Same store gross profit	212,484	212,915	(431)	(0.2)%
Same store gross profit percentage (%)	55.2%	54.8%		0.4 ppts

1. Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

[7] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this supplementary financial measure.*

Continuing Operations

Revenue and gross profit decreased, mainly due to a decrease in service repair orders and divestitures which occurred in 2024.

Gross profit percentage remained flat as management continues to prioritize gross profit on a per repair order basis.

Same Store Results

Revenue and gross profit decreased, mainly due to a decrease in service repair orders while gross profit percentage remained flat due to the reasons noted above.

Collision repair

For the three-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2025 and changes compared to the three-month period ended September 30, 2024.

	Three-Months Ended September 30			
Collision Repair Financial Results	**2025 $**	**2024 $**	**Change $**	**Change %**
Revenue	37,519	31,487	6,032	19.2%
Gross profit	17,334	17,527	(193)	(1.1)%
Gross profit percentage (%)	46.2%	55.7%		(9.5) ppts
Same store revenue	36,227	31,487	4,740	15.1%
Same store gross profit	17,016	17,527	(511)	(2.9)%
Same store gross profit percentage (%)	47.0%	55.7%		(8.7) ppts

Continuing Operations

Revenue increased as a result of strong customer demand, additional OEM certifications, increased insurance referrals and increased paintless dent repair.

Gross profit and gross profit percentage decreased due to an increase in paintless dent repair which has a lower margin profile than traditional collision repair.

Same Store Results

Revenue, gross profit, and gross profit percentage are consistent with continuing operations, for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2025 and changes compared to the nine-month period ended September 30, 2024.

	Nine-Months Ended September 30			
Collision Repair Financial Results	**2025 $**	**2024 $**	**Change $**	**Change %**
Revenue	116,265	94,651	21,614	22.8%
Gross profit	52,093	47,953	4,140	8.6%
Gross profit percentage (%)	44.8%	50.7%		(5.9) ppts
Same store revenue	114,448	93,992	20,456	21.8%
Same store gross profit	51,621	47,734	3,887	8.1%
Same store gross profit percentage (%)	45.1%	50.8%		(5.7) ppts

Continuing Operations

Revenue and gross profit increased as a result of strong customer demand, additional OEM certifications, increased insurance referrals and increased paintless dent repair.

Gross profit percentage decreased due to an increase in paintless dent repair which has a lower margin profile than traditional collision repair.

Same Store Results

Revenue, gross profit, and gross profit percentage are consistent with continuing operations, for the reasons noted above.

Finance, insurance and other

Finance and insurance products are sold with both new and used retail vehicles.

For the three-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2025 and changes compared to the three-month period ended September 30, 2024.

	Three-Months Ended September 30			
F&I Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	70,107	82,701	(12,594)	(15.2)%
Gross profit	60,046	75,530	(15,484)	(20.5)%
Gross profit percentage (%)	85.6%	91.3%		(5.7) ppts
F&I gross profit per retail unit average ($)	3,346	3,301	45	1.4%
Same store revenue	70,107	80,491	(10,384)	(12.9)%
Same store gross profit	60,046	73,363	(13,317)	(18.2)%
Same store gross profit percentage (%)	85.6%	91.1%		(5.5) ppts
Same store F&I gross profit per retail unit average ($)	3,346	3,314	32	1.0%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue and gross profit decreased reflecting lower total retail vehicle sales volumes. F&I average gross profit per retail unit increased as compared to the third quarter of 2024, driven by an increase in products sold per deal.

Same Store Results

Revenue and gross profit decreased as a result of lower total retail volumes and F&I average gross profit per retail unit increased for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2025 and changes compared to the nine-month period ended September 30, 2024.

	Nine-Months Ended September 30			
F&I Financial Results	**2025 $**	**2024 Revised[1] $**	**Change $**	**Change %**
Revenue	204,012	228,512	(24,500)	(10.7)%
Gross profit	182,111	208,889	(26,778)	(12.8)%
Gross profit percentage (%)	89.3%	91.4%		(2.1) ppts
F&I gross profit per retail unit average ($)	3,317	3,281	36	1.1%
Same store revenue	204,034	221,533	(17,499)	(7.9)%
Same store gross profit	182,133	202,096	(19,963)	(9.9)%
Same store gross profit percentage (%)	89.3%	91.2%		(1.9) ppts
Same store F&I gross profit per retail unit average ($)	3,318	3,300	18	0.5%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Continuing Operations

Revenue and gross profit decreased reflecting lower total retail vehicle sales volumes. F&I gross profit per retail unit average increased as compared to the prior year period, driven by an increase in products sold per deal.

Same Store Results

Revenue and gross profit decreased as a result of lower total retail volumes and F&I average gross profit per retail unit increased for the reasons noted above.

Operating expenses

The components of operating expenses are noted below.

Employee Costs

Associated with employing staff both at dealerships and at corporate head office, and include salaries, wages, benefits, and share-based compensation expense. Dealership employees are largely commission based, making employee costs variable in nature. Our dealership pay structures are tied to meeting sales objectives, maintaining Customer Satisfaction Index ("CSI"), as well as improving gross profit and net income.

Administrative Costs

Comprise the remaining costs of operating our dealerships and corporate head office. Advertising, utilities, service shop consumables, information processing, insurance, acquisition related transaction costs, and consulting costs comprise a significant portion of administrative costs. Administrative costs can be fixed, variable, or semi-variable in nature.

Facility Lease and Storage Costs

Cost of short-term ancillary and supplemental leasing arrangements that support dealership facilities.

Depreciation of Right-of-Use Assets

Relates to the right-of-use assets that arise upon the inception of a lease arrangement. The right-of-use asset is depreciated on a straight-line basis over the lease term.

Depreciation of Property and Equipment

Relates to the depreciation of the dealership assets, including buildings, machinery and equipment, leasehold improvements, company and lease vehicles, furniture, and computer hardware. Depreciation rates vary based on the nature of the asset.

The Company considers operating expenses before depreciation, operating expenses before depreciation as a percentage of gross profit, normalized operating expenses before depreciation, and normalized operating expenses before depreciation as a percentage of gross profit indicators of operating performance and expense control.

The following tables summarize operating expenses, operating expenses before depreciation, operating expenses before depreciation as a percentage of gross profit, normalized operating expenses before depreciation, and normalized operating expenses before depreciation as a percentage of gross profit from continuing operations for the three-month period and nine-month period ended September 30, 2025, and changes compared to the respective three-month period and nine-month period ended September 30, 2024.

	Three-Months Ended September 30			
	2025 $	**2024 Revised[2] $**	**Change $**	**Change %**
Employee costs	102,448	110,237	(7,789)	(7.1)%
Administrative costs	45,341	54,559	(9,218)	(16.9)%
Facility lease costs	1,017	1,769	(752)	(42.5)%
Depreciation and amortization [1]	13,001	13,709	(708)	(5.2)%
Operating expenses ("Opex")	161,807	180,274	(18,467)	(10.2)%
Less: Depreciation and amortization [1]	(13,001)	(13,709)	708	5.2%
Opex before depreciation	148,806	166,565	(17,759)	(10.7)%
Less:				
Acquisition-related costs	(37)	(351)	314	(89.5)%
Software implementation costs	(664)	(1,013)	349	(34.5)%
Canadian franchise dealership and corporate restructuring charges	(17,576)	1,628	(19,204)	(1,179.6)%
Share-based compensation	(4,241)	(1,873)	(2,368)	126.4%
Normalized opex before depreciation	126,288	164,956	(38,668)	(23.4)%
Opex before depreciation as a percentage of gross profit (%)	79.4%	69.1%		10.3 ppts
Normalized opex before depreciation as a percentage of gross profit (%)	67.4%	68.4%		(1.0) ppts

1 See Section 17 Segmented Operating Results Data for a breakdown of the types of depreciation and amortization.
2 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Operating Expenses

For the three-month period ended September 30, 2025

Continuing Operations

Operating expenses before depreciation decreased (10.7)% to $148.8 million in the third quarter of 2025 compared to the prior year period. On a normalized basis, it decreased by (23.4)% or $(38.7) million year-over-year to $126.3 million, including $17.6 million of restructuring charges, which relates to our ongoing cost reduction initiatives targeting $115.0 million in annual run-rate savings by the end of 2025.

Operating expenses before depreciation as a percentage of gross profit increased largely due to the increase in restructuring charges in the third quarter of 2025 as compared to the third quarter of 2024. Normalized operating expenses as a percentage of gross profit decreased to 67.4% in the third quarter of 2025 compared to 68.4% in the third quarter of 2024 which represents a 1.0 ppts improvement.

	Nine-Months Ended September 30			
	2025 $	**2024 Revised[2] $**	**Change $**	**Change %**
Employee costs	315,004	335,762	(20,758)	(6.2)%
Administrative costs	149,904	161,733	(11,829)	(7.3)%
Facility lease costs	2,187	3,128	(941)	(30.1)%
Depreciation and amortization [1]	40,325	41,110	(785)	(1.9)%
Operating expenses ("Opex")	507,420	541,733	(34,313)	(6.3)%
Less: Depreciation and amortization [1]	(40,325)	(41,110)	785	1.9%
Opex before depreciation	467,095	500,623	(33,528)	(6.7)%
Less:				
Acquisition-related costs	(236)	(1,051)	815	(77.5)%
Software implementation costs	(2,370)	(2,853)	483	(16.9)%
Canadian franchise dealership restructuring charges	(39,326)	(2,000)	(37,326)	1,866.3%
Key management transition costs	—	(4,704)	4,704	(100.0)%
Share-based compensation	(8,224)	(6,274)	(1,950)	31.1%
Normalized opex before depreciation	416,939	483,741	(66,802)	(13.8)%
Opex before depreciation as a percentage of gross profit (%)	76.5%	75.9%		0.5 ppts
Normalized opex before depreciation as a percentage of gross profit (%)	68.3%	73.4%		(5.1) ppts

1 See Section 17 Segmented Operating Results Data for a breakdown of the types of depreciation and amortization.
2 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Operating Expenses

For the nine-month period ended September 30, 2025

Continuing Operations

Operating expenses before depreciation decreased (6.7)% to $467.1 million for the first nine months of 2025 compared to the prior year period. On a normalized basis, it decreased by (13.8)% or $(66.8) million year-over-year to $416.9 million, including $39.3 million of restructuring charges, which relates to our ongoing cost reduction initiatives targeting $115.0 million in annual run-rate savings by the end of 2025.

Normalized operating expenses as a percentage of gross profit decreased to 68.3% in the first nine months of 2025 compared to 73.4% in the first nine months of 2024 which represents a 5.1ppts improvement as management nears completion of the ACX transformation plan rollout.

Operating expenses before depreciation as a percentage of gross profit increased largely due to the ongoing initiatives targeting $115.0 million in annual run-rate cost savings and this was partially offset by the increase in restructuring charges in the first nine months of 2025 as compared to the first nine months of 2024.

Net Income and Adjusted EBITDA and Adjusted EBITDA Margin

See Section 14 Non-GAAP and Other Financial Measure Reconciliations for the composition of adjusted EBITDA and adjusted EBITDA margin.

For the three-month period ended September 30, 2025

The following table summarizes net (loss) income, adjusted EBITDA, and adjusted EBITDA margin from continuing operations for the three-month periods ended September 30:

	Three-Months Ended September 30			
	2025 $	2024 Revised[1] $	Change $	Change %
Net (loss) income for the period	(2,901)	27,159	(30,060)	(110.7)%
Adjusted EBITDA	58,091	63,103	(5,012)	(7.9)%
Adjusted EBITDA margin	4.8%	4.5%		0.3 ppts

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Net (Loss) Income

Net (loss) income for the period decreased as a result of items noted above and an increase in unrealized foreign exchange losses and loss on settlement of redemption liability, partially offset by lower financing costs and lower income taxes in the third quarter of 2025.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA decreased primarily driven by a decline in gross profit, partially offset by lower operating expenses before depreciation and lower floorplan financing expenses as noted above.

Adjusted EBITDA margin increased by 0.3 ppts to 4.8% for the reasons noted above.

For the nine-month period ended September 30, 2025

The following table summarizes net income, adjusted EBITDA, and adjusted EBITDA margin from continuing operations for the nine-month periods ended September 30:

	Nine-Months Ended September 30			
	2025 $	2024 Revised[1] $	Change $	Change %
Net income for the period	25,717	39,147	(13,430)	(34.3)%
Adjusted EBITDA	165,468	123,391	42,077	34.1%
Adjusted EBITDA margin	4.4%	3.1%		1.3 ppts

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Net Income

Net income for the period decreased as a result of items noted above and an increase in income taxes. This was partially offset by lower finance costs, and lower unrealized foreign exchange losses in the first nine months of 2025.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA and Adjusted EBITDA margin increased primarily driven by lower operating expenses before depreciation and lower floorplan financing expenses, partially offset by a decrease in gross profit as noted above.

Finance costs

The Company incurs finance costs on its revolving floorplan facilities, indebtedness, lease liabilities, and unrealized fair value changes on interest rate swaps.

The Company enters into interest swap agreements for the purpose of managing exposure to interest rate fluctuations. Any changes in the fair value of these instruments are recorded as finance costs as the Company has elected to not apply hedge accounting to these contracts. Current interest rate swap agreements include $125.0 million in swap contracts initially maturing in 2026 to 2027, subject to extension to 2029 to 2030, and $177.8 million swap contracts that mature in 2030, which help to mitigate interest rate risk in the current fluctuating interest rate environment. For further details, refer to Note 21 in the Interim Financial Statements.

The following table details the finance costs during the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30		Nine-Months Ended September 30	
Finance Costs	**2025 $**	**2024 Revised[1] $**	**2025 $**	**2024 Revised[1] $**
Finance costs:				
Interest on long-term indebtedness	8,935	6,396	25,348	18,051
Interest on lease liabilities	7,463	8,193	22,763	23,462
Unrealized fair value changes on non-hedging instruments	745	5,380	1,866	6,314
	17,143	**19,969**	**49,977**	**47,827**
Floorplan financing	8,871	15,923	28,152	50,344
Interest rate swap settlements	457	(1,133)	851	(4,158)
Other finance costs	(501)	1,089	778	2,111
	25,970	**35,848**	**79,758**	**96,124**

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

During the three-month period ended September 30, 2025, floorplan financing costs decreased compared to the prior year period reflecting lower interest rate and lower new and used vehicle inventory balances. Interest on long-term indebtedness increased due to an increase in mortgage financing costs and change in the allocation methodology as a result of the divestiture of the U.S. dealerships.

During the nine-month period ended September 30, 2025, floorplan financing costs decreased compared to the prior year period reflecting lower interest rate and lower new and used vehicle inventory balances. Interest on long-term indebtedness increased due to an increase in mortgage financing costs and change in the allocation methodology as a result of the divestiture of the U.S. dealerships.

Income taxes

The following table summarizes income taxes for the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2025 $	**2024 Revised[1] $**	**2025 $**	**2024 Revised[1] $**
Current tax	(3,245)	3,079	48	7,189
Deferred tax	2,042	1,268	8,864	(327)
Total income tax (recovery) expense	**(1,203)**	**4,347**	**8,912**	**6,862**
Effective income tax rate	29.3%	13.8%	25.7%	14.9%
Statutory income tax rate	25.5%	25.4%	25.5%	25.4%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

The change in income tax expense reflects changes to underlying earnings, unrecognized deferred tax assets, adjustments in respect of prior years, and other permanent items.

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

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2025 $	2024 $	2025 $	2024 $
Tax expense on repurchase of preferred shares in U.S. Operations	—	—	1,226	—
Tax recovery relating to change in fair value of hedging instruments	—	—	—	(51)
Total income tax expense (recovery)	—	—	1,226	(51)

Discontinued Operations

For the three-month period ended September 30, 2025

Revenue decreased largely as a result of the continued softening of the used vehicle market, sale of U.S. stores and the closure of the RightRide business. Used vehicle unit sales were impacted by the closure of the RightRide business, sale of U.S. stores and tighter inventory management resulting in a 76.5% decrease in used vehicle units sold.

Gross profit decreased largely due to a reduction in parts and services, F&I operations and new vehicle. Parts and services gross profit decreased driven by lower repair orders, while the reduction in F&I gross profit is driven by both lower total retail vehicle sales volume and a lower F&I gross profit per retail unit average. This reflects a growing proportion of retail vehicle sales being purchased with less favourable OEM dealer financing. New vehicle gross profit percentage decreased driven by declining new vehicle gross profit per retail unit which is consistent with the industry wide trend, and partially offset by recent OEMs production pullbacks and supply pressures linked to ongoing tariff uncertainty.

Net income for the period increased as a result of decreases in operating expenses, gains on asset dispositions, lower finance costs and the items noted above. Deferred tax asset has not been recognized in respect of Discontinued Operations on the basis it is not probable that future taxable profit will be available against which the Company will be be able to use these benefits.

Adjusted EBITDA for the period increased largely as a result of the noted decrease in operating expenses, partially offset by a decrease in gross profit.

For the nine-month period ended September 30, 2025

Revenue decreased largely as a result of the continued softening of the used vehicle market, sale of U.S. stores and the closure of the RightRide business. Used vehicle unit sales were impacted by the closure of the RightRide business, and tighter inventory management, resulting in a 57.0% decrease in used vehicle units sold.

Gross profit decreased largely due to a reduction in new vehicle and F&I operations. As expected, new vehicle gross profit percentage decreased driven by declining new vehicle gross profit per retail unit which is consistent with the industry wide trend. The reduction in F&I gross profit is driven by both lower total retail vehicle sales volume while average F&I gross profit per retail unit remained flat.

Net income for the period increased as a result of decreases in operating expenses, mainly due to gains on asset dispositions, lower finance costs and the items noted above. Deferred tax asset has not been recognized in respect of Discontinued Operations on the basis it is not probable that future taxable profit will be available against which the Company will be be able to use these benefits.

Adjusted EBITDA for the period increased largely as a result of the noted decrease in operating expenses, partially offset by a decrease in gross profit.

5. ACQUISITIONS, DIVESTITURES, AND OTHER RECENT DEVELOPMENTS

The following is a list of open points, acquisitions, divestitures, wind-downs, or other recent developments that have occurred since January 1, 2025.

Wind-downs and Restructuring

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 $0.9 million. 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 $0.9 million 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 $14.5 million for repayment of loans in addition to $15.6 million for accrued interest, accrued royalty fees, and a termination fee. A gain of $11.6 million was recognized on the termination in net income for the period from continuing operations.

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.

Divestitures

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. North Toronto Auction was previously held for sale in the Canadian Operations segment. Gross proceeds of $3.3 million resulted in a loss on divestiture of $1.5 million included in net income for the period from continuing operations Condensed Interim Consolidated Statements of Comprehensive Income (Loss).

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 nine-month period ended September 30, 2025. The operating assets and associated liabilities of the divested dealerships below were previously held for sale in the U.S. Operations segment, which was presented as a discontinued operation, as at December 31, 2024.

Divestiture of Crystal Lake Chrysler Dodge Jeep Ram

On July 29, 2025, the Company sold substantially all of the operating assets and associated liabilities of Crystal Lake Chrysler Dodge Jeep Ram, located in Crystal Lake, Illinois, for cash consideration. Gross proceeds of $11.9 million resulted in a pre-tax loss on divestiture of $2.4 million included in net loss for the period from discontinued operations.

Divestiture of Hyundai of Palatine

On August 20, 2025, the Company sold substantially all of the operating assets and associated liabilities of Hyundai of Palatine, located in Palatine, Illinois, for cash consideration. Gross proceeds of $6.3 million resulted in a pre-tax gain on divestiture of $2.6 million included in net loss for the period from discontinued operations.

Divestiture of Chevrolet of Palatine

On August 20, 2025, the Company sold substantially all of the operating assets and associated liabilities of Chevrolet of Palatine, located in Palatine, Illinois, for cash consideration. Gross proceeds of $5.8 million resulted in a pre-tax gain on divestiture of $1.6 million included in net loss for the period from discontinued operations.

Divestiture of North City Honda

On August 26, 2025, the Company sold substantially all of the operating assets and associated liabilities of North City Honda, located in Chicago, Illinois, for cash consideration. Gross proceeds of $19.8 million resulted in a pre-tax loss on divestiture of $0.9 million included in net loss for the period from discontinued operations.

Termination of RightRide Operations

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 nine-month period ended September 30, 2025. The Company recorded an impairment charge of $3.4 million related to right-of-use assets that were determined to be impaired as a result of the classification as a discontinued operation.

Acquisitions

Acquisition of Collision Repair Facility

On October 6, 2025, the Company completed the acquisition of Doug's Place Strathcona, a collision and refinish repair facility located in Edmonton, Alberta, which is included within the Canadian Operations segment. This acquisition expands the Company's collision repair capacity in the Edmonton market and enhances OEM and insurance partner coverage.

The financial performance and cash flow information from discontinued operations for the three-month periods and nine-month periods ended September 30 are summarized as follows:

	Three-Months Ended September 30, 2025			Three-Months Ended September 30, 2024		
	RightRide $	Retail Automobile Dealerships - U.S. Operations $	Total $	RightRide $	Retail Automobile Dealerships - U.S. Operations $	Total $
Revenue	—	106,927	106,927	27,118	188,219	215,337
Cost of sales	—	(86,783)	(86,783)	(27,369)	(163,964)	(191,333)
Gross profit (loss)	—	20,144	20,144	(251)	24,255	24,004
Operating expenses	(972)	(21,269)	(22,241)	(4,201)	(31,211)	(35,412)
Operating (loss) income before other income and expense	(972)	(1,125)	(2,097)	(4,452)	(6,956)	(11,408)
Lease and other income, net	3	423	426	28	300	328
Gain on dealerships disposed	—	834	834			
Loss on disposal of assets, net	—	(759)	(759)	(2,073)	—	(2,073)
Gain on lease terminations	2,561	11,471	14,032			
Write off of leasehold improvements	—	(6,590)	(6,590)			
Recovery (Impairment) of non-financial assets	—	12,361	12,361	—	(15)	(15)
Operating income (loss)	1,592	16,615	18,207	(6,497)	(6,671)	(13,168)
Finance costs	(45)	(3,440)	(3,485)	(240)	(6,680)	(6,920)
Recycled cumulative foreign currency translation on return of capital	—	4,946	4,946	—	—	—
Income (loss) for the period before taxation from discontinued operations	1,547	18,121	19,668	(6,737)	(13,351)	(20,088)
Income tax expense	—	—	—	—	18	18
Net income (loss) from discontinued operations	1,547	18,121	19,668	(6,737)	(13,369)	(20,106)
Exchange differences on translation of discontinued operations	—	1,719	1,719	—	(552)	(552)
Reclassification of cumulative foreign currency translation of discontinued operations	—	(4,946)	(4,946)	—	—	—
Other comprehensive loss from discontinued operations	—	(3,227)	(3,227)	—	(552)	(552)

	Nine-Months Ended September 30, 2025			Nine-Months Ended September 30, 2024		
	RightRide $	Retail Automobile Dealerships - U.S. Operations $	Total $	RightRide $	Retail Automobile Dealerships - U.S. Operations $	Total $
Revenue	9,946	410,948	420,894	84,039	560,018	644,057
Cost of sales	(9,428)	(340,311)	(349,739)	(78,015)	(481,370)	(559,385)
Gross profit (loss)	518	70,637	71,155	6,024	78,648	84,672
Operating expenses	(3,153)	(70,085)	(73,238)	(12,685)	(93,207)	(105,892)
Operating (loss) income before other income and expense	(2,635)	552	(2,083)	(6,661)	(14,559)	(21,220)
Lease and other (losses) income, net	(424)	517	93	32	646	678
Gain on dealerships disposed	—	1,728	1,728			
Loss on disposal of assets, net	(1,118)	(772)	(1,890)	(2,073)	—	(2,073)
Gain on lease terminations	2,561	11,471	14,032	—	—	—
Write off of leasehold improvements	—	(6,590)	(6,590)			
Recovery (Impairment) of non-financial assets	(3,369)	12,361	8,992	—	(11,324)	(11,324)
Operating income (loss)	(4,985)	19,267	14,282	(8,702)	(25,237)	(33,939)
Finance costs	(214)	(12,237)	(12,451)	(912)	(19,074)	(19,986)
Recycled cumulative foreign currency translation on return of capital	—	4,946	4,946	—	—	—
(Loss) income for the period before taxation from discontinued operations	(5,199)	11,976	6,777	(9,614)	(44,311)	(53,925)
Income tax expense	—	—	—	—	13,604	13,604
Net (loss) income from discontinued operations	(5,199)	11,976	6,777	(9,614)	(57,915)	(67,529)
Exchange differences on translation of discontinued operations	—	(5,143)	(5,143)	—	2,407	2,407
Recycled cumulative foreign currency translation on return of capital	—	(4,946)	(4,946)	—	—	—
Other comprehensive (loss) income from discontinued operations	—	(10,089)	(10,089)	—	2,407	2,407

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2025 $	2024 $	2025 $	2024 $
Net cash (outflow) inflow from operating	(23,390)	6,443	(20,211)	30,551
Net cash inflow (outflow) from investing	8,473	584	7,506	(7,990)
Net cash outflow from financing activities	(1,376)	(3,315)	(5,246)	(9,461)
Net (decrease) increase in cash from discontinued operations	(16,293)	3,712	(17,951)	13,100

6. LIQUIDITY AND CAPITAL RESOURCES

Management is focused on maximizing enterprise liquidity while minimizing cost and risk within the Company's overall strategic framework. 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, and may arise due to general day-to-day cash requirements and in the management of assets, liabilities and capital resources.

The principal uses of funds are for capital expenditures, funding acquisitions, debt service and share repurchases. The Company has historically met these requirements by using cash generated from operating activities and through short-term and long-term indebtedness.

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.

During the nine-month period ended September 30, 2025, the Company had a comprehensive income of $21.2 million and cash flows from operations of $13.7 million. 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 at September 30, 2025, the Company had total liquidity[8] of $345.8 million comprised of $91.9 million cash and $253.9 million available under the revolving credit facility.

Sources of Cash

Credit Facilities

On April 22, 2024, the Company entered into the fourth amended and restated $1,625 million syndicated credit agreement ("Credit Facility") with the Bank of Nova Scotia ("Scotiabank"), Canadian Imperial Bank of Commerce ("CIBC"), Royal Bank of Canada ("RBC"), Bank of Montreal ("BMO"), ATB Financial ("ATB"), and Toronto Dominion Bank ("TD"). The Credit Facility included the creation of a new $25.0 million leasehold capital expenditure term facility, with a corresponding $25.0 million accordion facility, to support anticipated leasehold spending. There are no changes to the revolving credit, wholesale flooring, and wholesale leasing facilities. Other changes included administrative enhancements to the Company's ability to floor a higher proportion of used vehicles and extending the maturity date to April 22, 2027. The Credit Facility agreement can be found on the SEDAR+ website at www.sedarplus.ca.

On June 28, 2024, due to the CDK Outage, the Company obtained consent to increase the Company's maximum permitted Total Net Funded Debt to Bank EBITDA Ratio from 4.00:1.00 to 4.50:1.00 for the period June 28, 2024 to September 29, 2024.

On September 27, 2024, the Company amended the Credit Facility to increase the Company's maximum permitted Total Net Funded Debt to EBITDA Ratio and the minimum permitted Fixed Charge Coverage Ratio from July 1, 2024 to September 30, 2025 (the "covenant relief period"). After September 30, 2025, the Company's covenants will revert to original covenant until the end of the agreement term. Other changes included increased interest rates across all facilities, a reduction in the proportion of used floorplan, and other administrative limitations that are applicable during the covenant relief period.

On December 27, 2024, the Company amended the Credit Facility to include add-backs of up to $35 million for specific one-time expenses, including $20 million USD provisioned for FTC settlement expenses, in the definition of EBITDA for purposes of calculating the Company's financial covenants for the period from December 31, 2024 to September 30, 2025.

On March 28, 2025, the Company obtained consent to increase the Company's maximum permitted Total Net Funded Debt to Bank EBITDA Ratio from 5.50:1.00 to 6.00:1.00 for the period from April 1, 2025 to June 30, 2025.

On August 28, 2025, the Company amended the Credit Facility to reduce the $15 million wholesale leasing facility to $5 million and obtained consent for administrative items to support ongoing operations.

[8] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this supplementary financial measure.*

The following tables summarize the amended financial covenants and the limits, amounts drawn and capacity of the Credit Facility as at September 30, 2025:

Amended Financial Covenants	Requirement	Q3 2025	Q4 2025	Q1 2026
Total Net Funded Debt to Bank EBITDA Ratio	Shall not exceed	4.50	4.00	4.00
Fixed Charge Coverage Ratio	Shall not be less than	1.20	1.20	1.20

Type of Facility	Limit	Drawn	Available Capacity
Revolving credit [1]	375,000	121,100	253,900
Leasehold credit facility	25,000	—	25,000
Wholesale inventory floorplan and lease financing	1,225,000	521,120	703,880
Total	**1,625,000**	**642,220**	**982,780**

1 The amount drawn as presented excludes unamortized deferred financing costs.

Revolving Credit Capacity

The revolving credit facility provides capacity for operational and growth purposes. The revolving credit balance is included in the calculation of the Company's leverage ratios and certain associated interest charges are added back in the Company's calculation of Adjusted EBITDA.

Floorplan Financing Capacity

The wholesale flooring facilities provides capacity for financing the wholesale purchase of new, used, demonstrator and leased vehicle inventory. As the facilities are demand in nature and draws are secured by floored inventory, the floorplan indebtedness is classified as a current liability on the Company's consolidated balance sheet. As floorplan financing is standard in the retail automotive industry and is considered an operational necessity, the floorplan facilities balance is excluded in the calculation of the Company's leverage ratios and related floorplan financing expenses are included in the Company's calculation of adjusted EBITDA.

Other Floorplan Financing

The Company has multiple standalone floorplan facilities with other lenders outside of the Credit Facility. The following table provides a breakdown of the Company's floorplan facilities as at September 30, 2025:

Lender	Limit	Drawn	Available Capacity
Credit Facility – Floorplan	1,225,000	521,120	703,880
Other Canadian Floorplan Facilities	541,900	354,595	187,305
Other U.S. Floorplan Facility	167,591	29,221	138,370
Total	**1,934,491**	**904,936**	**1,029,555**

Financial Covenants

The Company is required to comply with certain financial covenants, under the terms of the Credit Facility, various standalone floorplan financing facilities and OEM franchise agreements. 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. At September 30, 2025, the Company was in compliance with all of these financial covenants.

The Credit Facility financial covenants are calculated on a pre-IFRS 16 basis. While the Company is disclosing financial performance and cash flow performance for the three-month period ended September 30, 2025 and December 31, 2024 on a continuing operations basis, the financial covenants under the Credit Facility continues to be consolidated on a total (continuing and discontinued) operations basis, with modifications and adjustments as agreed to and permitted under the terms of the Credit Facility. As such, the precise inputs for the applicable financial covenant calculations, including but not limited to Bank EBITDA and Other Funded Debt, cannot be directly derived from the financial information available within the Company's consolidated financial statements.

The following table summarizes financial covenants under the Credit Facility as at September 30, 2025:

Financial Covenants	Requirement	Q3 2025
Senior Net Funded Debt to Bank EBITDA Ratio	Shall not exceed 2.50	0.67
Total Net Funded Debt to Bank EBITDA Ratio	Shall not exceed 4.50	3.40
Fixed Charge Coverage Ratio	Shall not be less than 1.20	3.02

As noted, the Company obtained lender consent to change the Credit Facility to increase the Company's maximum permitted Total Net Funded Debt to Bank EBITDA Ratio to address the increased risk of non-compliance with covenants associated with the revolving term facilities.

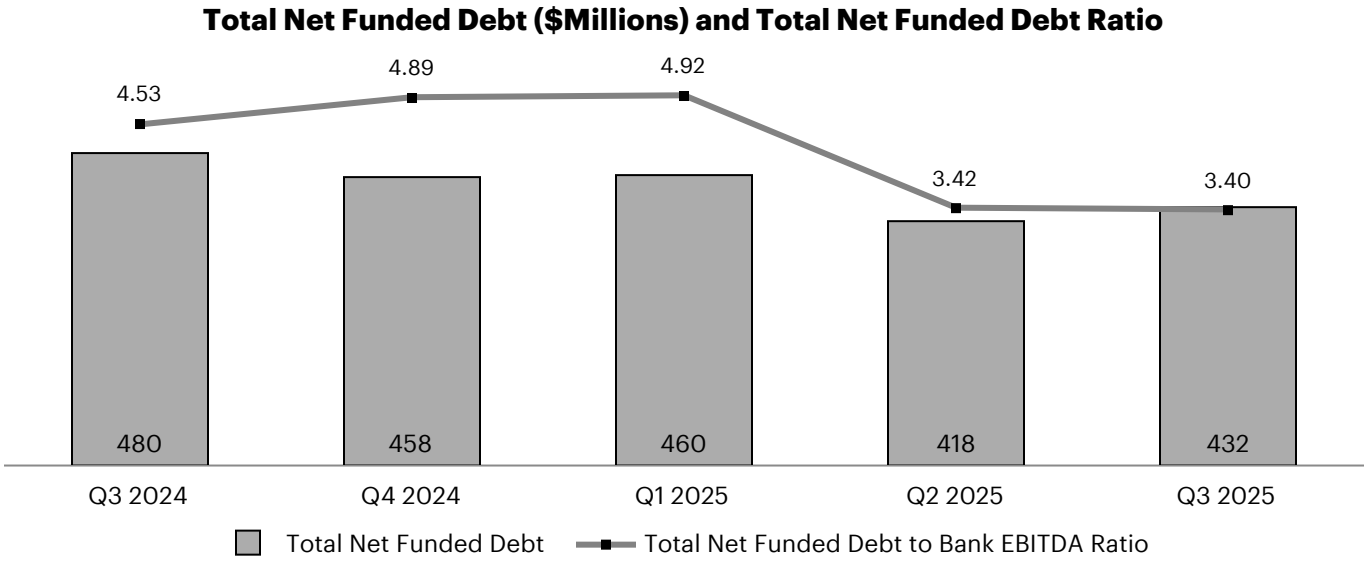
At this time, the Company's ability to comply with its financial covenants in the next twelve months is dependent on continued agreement with the Company's lenders, accelerating initiatives to improve profitability, suspending capital return initiatives, sale of assets and liabilities held for sale, 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.

Total Net Funded Debt to Bank EBITDA Ratio Covenant Summary

The following table summarizes the Company's Total Net Funded Debt for purposes of calculating Total Net Funded Debt to Bank EBITDA Ratio ("Total Net Funded Debt Ratio")

	September 30, 2025 $	December 31, 2024 $
Credit Facility, net of unamortized deferred financing costs	119,494	154,878
$350 Million Notes, net of unamortized deferred financing costs	346,975	346,300
Other funded debt according to Credit Facility	35,332	24,668
Total Funded Debt	501,801	525,846
Less: Allowable Cash Netting according to Credit Facility	(70,000)	(67,355)
Total Net Funded Debt	**431,801**	**458,491**

The following illustrates Total Net Funded Debt and Total Net Funded Debt Ratio for the trailing five quarters.



Senior Unsecured Notes

On February 7, 2022, the Company issued Senior Unsecured Notes of $350 million aggregate principal amount ("$350 Million Notes") at par for a stated interest rate of 5.75% to fund the February 10, 2022 redemption of the then outstanding $250 million senior unsecured notes ("$250 Million Notes") and for general corporate purposes. The $350 Million Notes have a seven-year term and mature on February 7, 2029 with interest payable semi-annually on February 7 and August 7 of each year. The $350 Million Notes can be redeemed by the Company or the note holders under certain terms and conditions as outlined in the $350 Million Notes indenture, which can be found on the SEDAR+ website at www.sedarplus.ca.

Non-Recourse Mortgage Financing

On June 22, 2022, the Company executed a non-recourse mortgage for the land and construction costs associated with the development of two dealerships on a property in Maple Ridge, British Columbia. The mortgage comprised of three facilities with an aggregate limit of $39.0 million, at a variable interest rate of prime + 1.50%. The mortgage had a three-year term and twenty-year amortization. It required monthly interest-only payments until construction was complete. On September 27, 2024, the Company updated the mortgage terms and advanced an additional $10.0

million on the non-recourse mortgage. The updated mortgage had a one-year term with a variable interest rate of prime + 1.00%. On September 26, 2025, the Company renewed the mortgage with a two-year term and a variable interest rate of CORRA + 2.45% (combined total rate of 5.45% as at September 30, 2025) and requires monthly installments of principal and interest based on a twenty-five-year amortization. The outstanding balance is due at the end of the two-year term. As at September 30, 2025, the value of this mortgage, net of unamortized deferred financing costs, was $22.6 million (2024 - $13.6 million).

On June 30, 2022, the Company executed two non-recourse mortgages totaling $18.6 million to fund the purchase of land and buildings in Windsor, Ontario and London, Ontario. The mortgages have a five-year term with a fixed interest rate of 7.07%, and requires quarterly installments of principal and interest based on a twenty-five-year amortization, with the outstanding mortgage balance due at the end of the term. As at September 30, 2025, the value of the mortgages, net of unamortized deferred financing costs, was $16.4 million (2024 - $17.3 million).

The Credit Facility allows for up to $100 million of non-recourse mortgages which are excluded for purposes of calculating the Credit Facility financial covenants.

Gross Lease Adjusted Indebtedness[9] Summary

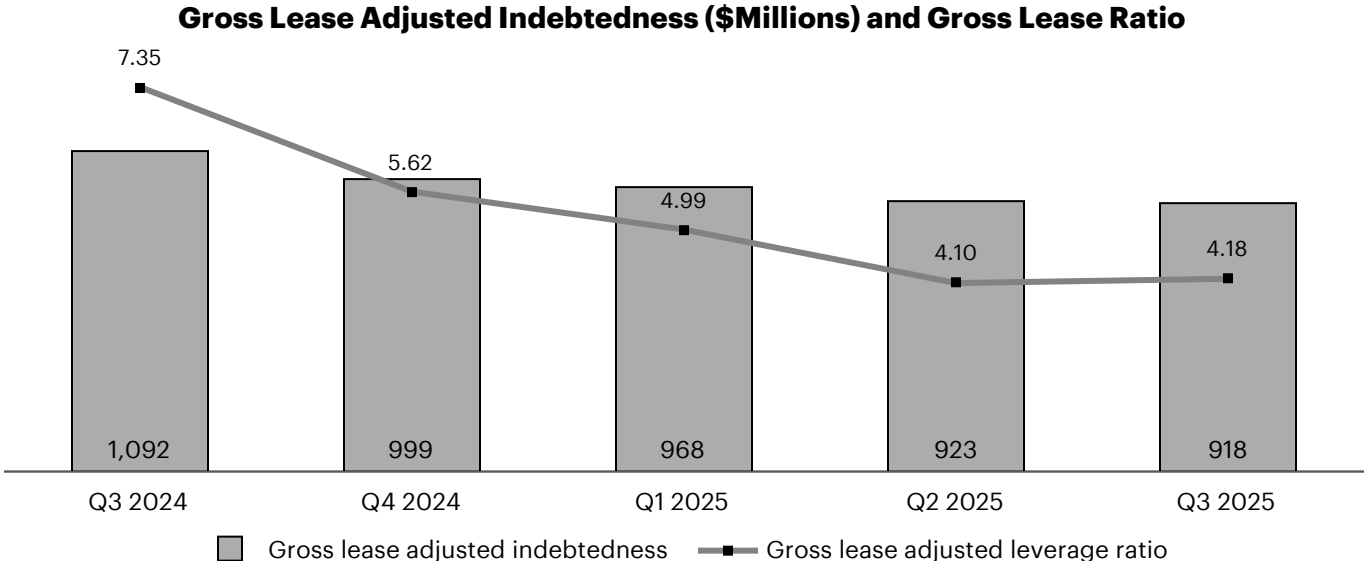
Gross lease adjusted leverage ratio[10] ("Gross Lease Ratio") is a leverage measure used by management to evaluate the leverage of the Company as it includes lease liabilities under IFRS 16 in the calculation of gross lease adjusted indebtedness.

The following summarizes the Company's gross lease adjusted indebtedness and Gross Lease Ratio from continuing operations as at June 30, 2025 and December 31, 2024.

	September 30, 2025 $	December 31, 2024 Revised[1] $
Credit facility, net of unamortized deferred financing costs	119,494	154,878
$350 Million Notes, net of unamortized deferred financing costs	346,975	346,300
Non-recourse mortgages and other debt	39,396	40,473
Total indebtedness	505,865	541,651
Add: Lease liabilities	412,183	457,172
Gross lease adjusted indebtedness	**918,048**	**998,823**
Adjusted EBITDA - trailing twelve months	219,847	177,770
Gross lease adjusted leverage ratio ("Gross Lease Ratio")	**4.18x**	**5.62x**

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

The following chart illustrates the gross lease adjusted indebtedness and Gross Lease Ratios for the trailing five quarters.



[9] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this capital management measure.*
[10] *See Section 13 Non-GAAP and Other Financial Measures for further information regarding the composition of this Non-GAAP Measure.*

Uses of Cash

Non-Growth Capital Expenditures

Non-growth capital expenditures are capital expenditures incurred to maintain existing levels of service and is largely affected by replacement and purchases of fixed operations equipment, and can fluctuate from period to period depending on our needs to upgrade or replace existing property and equipment. These include the following:

- Capital expenditures to replace property and equipment
- Any costs incurred to enhance the operational life of existing property and equipment

Growth Capital Expenditures

Growth capital expenditures are discretionary capital expenditures incurred to expand sales and service capacity. They represent cash outlays intended to provide additional future cash flows and are expected to provide benefit in future periods. These include the following:

- Expansions
- New locations and open point construction
- Re-imaging mandated by manufacturers
- Relocations

For the nine-months ended September 30, 2025, the Company incurred $2.7 million in capital expenditures related to growth initiatives in collision and to a lesser extent, OEM mandated reimaging of various dealership properties.

Capital expenditures is reported in aggregate in Note 16 of the Interim Financial Statements. The following table breaks down capital expenditures for the periods indicated into non-growth and growth capital expenditures and real estate acquisitions.

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2025 $	2024 $	2025 $	2024 $
Non-growth capital expenditures	971	931	1,548	3,102
Growth capital expenditures	3,328	4,690	11,370	17,644
Total capital expenditures	4,299	5,621	12,918	20,746
Real estate acquisition expenditures	(1,636)	—	105	—
Total capital related expenditures	2,663	5,621	13,023	20,746

Capital Commitments

At September 30, 2025, the Company is committed to capital expenditure obligations in the amount of approximately $1.6 million related to dealership reimagings and other renovations with expected completion of these commitments in 2025. The Company is in discussions with OEMs to adjust spending and/or capital commitments as appropriate for changing conditions.

Dealership relocations and reimagings are usually associated with OEM requirements. Many OEMs provide assistance in the form of additional incentives or contribute funding if facilities meet specified requirements. We expect certain facility upgrades may generate additional OEM incentive payments. It is also expected certain capital commitments may be reimbursed by the respective landlords that own the facilities.

The Company manages our liquidity to ensure access to sufficient funding at acceptable costs to fund our ongoing operating requirements and future capital expenditures. We expect to pay for our future capital commitments out of existing cash balances and financing through borrowings on our Credit Facility.

Working Capital

Under the franchise agreements with OEM partners, the Company is required to maintain a minimum level of working capital within each individual dealership. These individual dealership requirements serve to provide the Company with a baseline liquidity target.

The Company is focused on managing working capital, including improved collection processes, management of payables and maximizing the utilization of inventory floorplan financing. The efficacy and effectiveness of these processes may be influenced by the OEM working capital framework. As such, our ability to transfer cash from subsidiaries as well as fund capital expenditures, acquisitions, dividends, or other commitments in the future may be limited if sufficient funds are not generated by the Company. At current levels, working capital is sufficient to meet our ongoing commitments and operational requirements for the business.

Corporate Credit Rating

The Company is rated by S&P Global Ratings ("S&P"), an independent credit rating agency. S&P issued the following research updates and updated the Company's ratings and outlook as follows:

- On January 12, 2022, Senior Notes Rating was increased to 'B+' from 'B'.
- On July 30, 2024, Credit Rating was reaffirmed at 'B+' and our outlook was revised from 'Stable' to' Negative'.
- On September 22, 2025, our outlook was revised from 'Negative' to 'Stable'.

7. RELATED PARTY TRANSACTIONS

Transactions with related parties

During the three-month and nine-month periods ended September 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		Nine-month period ended	
	September 30, 2025 $	September 30, 2024 $	September 30, 2025 $	September 30, 2024 $
Administrative and other support and transportation fees	338	357	1,318	1,348
Vehicle purchases from related parties	—	—	—	162
Vehicle sales to related parties	235	1,385	1,513	1,930

Key management personnel compensation

On October 28, 2025, the Company announced the appointment of AutoCanada's Chief Financial Officer to the role of Interim Chief Executive Officer. Concurrently, the Executive Chair transitioned out of his role as AutoCanada's Executive Chair and as a director of the Company. The transition agreement entered into between the Executive Chair and the Company provides that the Executive Chair will receive:

- A lump sum payment for employee benefits in accordance with his employment arrangements;
- Vesting and settlement of outstanding deferred share units;
- The right to settle outstanding stock units in cash, concurrent with the completion of the Dealership Sale (described below);
- The right to settle outstanding stock options in cash, concurrent with the completion of the Dealership Sale (described below), subject to TSX approval. The Company may decline to pay cash if considered advisable;
- The Company waived the remaining term of the contractual hold period on certain shares of the Company acquired by a company controlled by the Executive Chair as a result of the purchase of the UD LP minority interest from the company controlled by the Executive Chair; and
- An option to acquire a Porsche dealership in London, Ontario, including associated lands and buildings and certain vacant lands in Windsor, Ontario for a purchase price equal to the greater of the Company's aggregate cost of such assets and the fair market value of such assets (the "Dealership Sale"). The option may be exercised prior to December 31, 2026.

The Company has also entered into a multi-year data license agreement to certain collision and mechanical data with a company controlled by the Executive Chair in exchange for an annual license fee.

During the nine-month period ended September 30, 2025, the Company recorded employment benefits of $2.6 million, which are included in accruals and provisions within trade and other payables as at September 30, 2025.

In addition, the Company's Chief Strategy Officer & General Counsel will be transitioning out of his role later this year. On November 13, 2025, the Company announced that AutoCanada's Chief Operating Officer and President, North American Operations will be transitioning out of their respective roles. The Company recorded termination benefits of $10.5 million, which are included in accruals and provisions within trade and other payables as at September 30, 2025.

8. OUTSTANDING SHARES

As at September 30, 2025, the Company had 23,150,233 (2024 - 23,150,233) common shares outstanding. Basic and diluted weighted average number of shares outstanding for the three-month period ended September 30, 2025 were 23,089,896 and 24,643,822, respectively. As at November 13, 2025, there were 23,150,233 common shares issued and outstanding.

As at September 30, 2025, the value of the shares held in trust, to hedge equity-based compensation plans, was $1.3 million (2024 - $0.3 million), which was comprised of 51,477 (2024 - 8,542) shares.

9. DIVIDENDS

AutoCanada's Board of Directors ("Board"), in consultation with management, continually evaluates the Company's dividend policy, with a focus on maximizing shareholder value. The declaration of dividends is subject to the discretion of the Board and is evaluated periodically and may be revised. Considering current market factors and capital allocation priorities, the Board has decided to defer any reinstatement of a dividend until further notice.

10. CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICY DEVELOPMENTS

A complete listing of critical accounting policies, estimates, judgments and measurement uncertainty can be found in Notes 3, 4 and 5 of the Annual Financial Statements for the year ended December 31, 2024. If applicable, updates are disclosed in Note 3 of the Interim Financial Statements.

11. DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

During the three-month period ended September 30, 2025, there were no changes in the Company's disclosure controls or internal controls over financial reporting that materially affected, or would be reasonably likely to materially affect, such controls. Details relating to disclosure controls and procedures, and internal controls over financial reporting, are disclosed in Section 12 of the Company's Annual MD&A for the year ended December 31, 2024.

12. RISK FACTORS

AutoCanada faces a number of business risks that could cause future results to differ materially from those results disclosed in this MD&A. Investors and the public should carefully consider our business risks, other uncertainties and potential events as well as the inherent uncertainty of forward looking statements (See Section 1 Reader Advisories and Forward-Looking Statements) when making investment decisions with respect to AutoCanada. If any of the business risks identified by AutoCanada were to occur, our business, financial condition, results of operations, cash flows or prospects could be materially adversely affected. In such case, the trading price of our shares could decline. There may be impacts on general economic conditions, as a result of elevated inflation and/or broadening of inflationary pressures across a wide array of goods and services, higher interest rates, economic recession, changes in U.S. and international trade policy including elevated tariff activity, as more fully described in Section 3 Market and Financial Outlook, the ongoing geopolitical conflicts, pandemics, and other factors, resulting in reduced demand for vehicle sales and service. When and if these economic conditions worsen or stagnate, it can have a material adverse effect on consumer demand for vehicles or service generally, demand from particular consumer categories or demand for particular vehicle types. It can also negatively impact availability of credit to finance vehicle purchases for all or certain categories of consumers. This could result in lower sales, decreased margins on units sold, and decreased profits. Any significant change or deterioration in economic conditions could have a material adverse effect on AutoCanada's business, financial condition, as more fully described in Section 6 Liquidity and Capital Resources, results of operations, cash flows or prospects. There is also no assurance that AutoCanada will fully realize on the anticipated operational expense savings from its transformation plan, as these depend on the successful implementation, stable economic conditions, and other external risk factors. If the transformation plan does not achieve expected operational expense savings or incur unforeseen costs, actual financial performance may differ from projections, impacting AutoCanada's financial position and results of operations.

The successful execution of our U.S. divestiture strategy is subject to the willingness of buyers, satisfaction of customary closing conditions, and securing all necessary OEM approvals, which may be difficult to obtain and could lead to delays or the termination of a transaction.

Additional risks and uncertainties not presently known to us or that management currently deems immaterial may also adversely affect our business and operations. A comprehensive discussion of the known risk factors of AutoCanada and additional business risks is available in our AIF that is available on the SEDAR+ website at www.sedarplus.ca.

13. NON-GAAP AND OTHER FINANCIAL MEASURES

This MD&A contains certain financial measures that do not have any standardized meaning prescribed by GAAP. Therefore, these financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned these measures should not be construed as an alternative to net income (loss) or to cash provided by (used in) operating, investing, financing activities, cash, and indebtedness determined in accordance with GAAP, as indicators of our performance. We provide these additional Non-GAAP Measures, capital management measures, and supplementary financial measures to assist investors in determining the Company's ability to generate earnings and cash provided by (used in) operating activities and to provide additional information on how these cash resources are used.

All financial measures can be presented on different basis, including differing segmentation and periods of time. While management may use a subset of the underlying data (including geographic segmentation or differing time) to calculate the relevant financial measures. the underlying method of calculation as defined below does not change. See below for list of potential presentation basis:

- Canadian Operations segment: See Section 17 Segmented Operating Results Data for additional information
- U.S. Operations segment: See Section 17 Segmented Operating Results Data for additional information
- Collision Centre Operations segment as part of the Canadian Operations segment
- Consolidated basis: See Section 17 Segmented Operating Results Data for additional information
- Same store basis: See Section 18 Same Store Results Data for additional information
- Continuing Operations
- Discontinued Operations
- Total Operations

Non-GAAP Measures, capital management measures, and supplementary financial measures referenced in the MD&A are listed and defined below.

Non-GAAP Measures and Capital Management Measures

Cautionary Note Regarding Non-GAAP Measures

Adjusted EBITDA, adjusted EBITDA margin, gross lease adjusted leverage ratio, normalized operating expenses before depreciation and normalized operating expenses before depreciation as a percentage of gross profit are not earnings measures recognized by GAAP and do not have standardized meanings prescribed by GAAP. Investors are cautioned that these Non-GAAP Measures should not replace net earnings or loss (as determined in accordance with GAAP) as an indicator of the Company's performance, cash flows from operating, investing and financing activities or as a measure of liquidity and cash flows. The Company's methods of calculating referenced Non-GAAP Measures may differ from the methods used by other issuers. Therefore, these measures may not be comparable to similar measures presented by other issuers.

We list and define Non-GAAP Measures and capital management measures below:

Adjusted EBITDA

Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) is an indicator of a company's operating performance over a period of time and ability to incur and service debt. Adjusted EBITDA provides an indication of the results generated by our principal business activities prior to:

- Interest expense (other than interest expense on floorplan financing), income taxes, depreciation, and amortization;
- Charges that introduce volatility unrelated to operating performance by virtue of the impact of external factors (such as share-based compensation amounts attributed to certain equity issuances as part of the Used Digital Division);
- Non-cash charges (such as impairment, recoveries, gains or losses on derivatives, revaluation of contingent consideration and revaluation of redemption liabilities);
- Charges outside the normal course of business (such as restructuring, gains and losses on dealership divestitures, and real estate transactions); and
- Charges that are non-recurring in nature (such as resolution of lawsuits and legal claims, and share-based compensation amounts attributable to certain equity issuances as part of the transformation plan).

The Company considers this measure meaningful as it provides improved continuity with respect to the comparison of our operating performance over a period of time.

Adjusted EBITDA Margin

Adjusted EBITDA margin is an indicator of a company's operating performance specifically in relation to our revenue performance.

The Company considers this measure meaningful as it provides improved continuity with respect to the comparison of our operating performance with retaining and growing profitability as our revenue and scale changes over a period of time.

Gross Lease Adjusted Leverage Ratio ("Gross Lease Ratio")

Gross lease ratio is a measure used by management to evaluate the leverage of the Company.

The Company considers this measure meaningful as it is used by the credit rating agency for their analysis. Gross lease ratio is calculated as gross lease adjusted indebtedness divided by Adjusted EBITDA on a TTM basis.

Gross Lease Adjusted Indebtedness - Capital Management Measure

Gross lease adjusted indebtedness is a capital management measure used by management to evaluate the leverage of the Company.

Gross lease adjusted indebtedness is calculated as total indebtedness, which is net of unamortized deferred financing costs, adjusted for embedded derivative, plus lease liabilities (under IFRS 16).

Normalized Operating Expenses ("Opex") Before Depreciation

Normalized operating expenses before depreciation is an indicator of a company's operating expense before depreciation over a period of time, normalized for the following items:

- Transaction costs related to acquisitions, dispositions, and open points;
- Software implementation costs associated with the configuration or customization of software as a service arrangement;
- Restructuring charges relate to non-recurring organizational changes to improve the Company's profitability and overall efficiency;
- Management transition costs; and
- Share-based compensation expense.

The Company considers this measure meaningful as it provides a comparison of our operating expense normalized for transactions that are not indicative of the Company's operating expenses over time.

Normalized Operating Expenses Before Depreciation as a Percentage of Gross Profit

Normalized operating expenses before depreciation as a percentage of gross profit is a measure of a company's normalized operating expenses before depreciation over a period of time in relation to gross profit.

The Company considers this measure meaningful as it provides a comparison of our operating performance, normalized for transactions that are not indicative of the Company's operating expenses, with our growing profitability as our gross profit and scale changes over a period of time.

Supplementary Financial Measures

We list and define supplementary financial measures below:

Average Selling Price per New Vehicle

Average selling price per new vehicle is new vehicle revenue for the referenced period, divided by the number of total new vehicles sold during the referenced period.

Average Selling Price per Used Vehicle

Average selling price per used vehicle is used vehicle revenue for the referenced period, divided by the number of used retail vehicles sold during the referenced period.

Demonstrator ("Demo") Vehicle

Demo vehicles represents demonstrator vehicles (a subset of new retail vehicles) sold by the Company.

F&I Gross Profit Per Retail Unit Average

F&I gross profit per retail unit average is F&I gross profit divided by the total retail vehicles sold by the Company.

Gross profit percentage

Gross profit percentage is gross profit divided by revenue.

Liquidity

Liquidity is calculated by adding cash and available revolver facility, less revolver balance drawn.

New Fleet Vehicles

New fleet vehicles represents new fleet vehicles (excluding retail vehicles) sold by the Company.

New Vehicle Gross Profit Per Retail Unit

New vehicle gross profit per retail unit is new retail vehicle gross profit divided by new retail vehicles sold by the Company.

New Retail Vehicles

New retail vehicles represents new retail vehicles (excluding fleet vehicles) sold by the Company.

New Vehicle Inventory Days of Supply

New vehicle inventory days of supply is an average ending balance of prior quarter and current quarter new vehicle and demo vehicle inventory divided by current quarter new and demo vehicle cost of sales, multiplying the total by days in the quarter.

Operating Expenses Before Depreciation ("Opex Before Depreciation")

Operating expenses before depreciation is operating expenses less depreciation and amortization.

Operating Expenses Before Depreciation as a Percentage of Gross Profit

Operating expenses before depreciation as a percentage of gross profit is operating expenses before depreciation, divided by gross profit.

Service Repair Orders ("Service RO's")

Service repair orders represents total repair orders completed and sold by the Company's parts and service departments.

Total New Vehicles

Total new vehicles represents new fleet and new retail vehicles sold by the Company.

Total Retail Vehicles

Total retail vehicles represents new and used retail vehicles (excluding fleet and wholesale vehicles) sold by the Company.

Total Vehicles

Total vehicles represents new retail, used retail, and fleet vehicles (excluding wholesale vehicles) sold by the Company.

Used Vehicle Gross Profit Per Retail Unit

Used vehicle gross profit per retail unit is used retail vehicle (excluding wholesale vehicles) gross profit divided by used retail vehicles sold by the Company.

Used Retail Vehicles

Used retail vehicles represents used retail vehicles (excluding wholesale vehicles) sold by the Company.

Used Vehicle Inventory Days of Supply

Used vehicle inventory days of supply is an average ending balance of prior quarter and current quarter used vehicle inventory divided by current quarter used vehicle cost of sales, multiplying the total by days in the quarter.

Used Wholesale Vehicles

Used wholesale vehicles represents used wholesale vehicles (excluding retail vehicles) sold by the Company.

14. NON-GAAP AND OTHER FINANCIAL MEASURE RECONCILIATIONS

Adjusted EBITDA

The following tables illustrate segmented adjusted EBITDA for the three-month and nine-month periods ended September 30:

	Three-Months Ended September 30, 2025			Three-Months Ended September 30, 2024 Revised [1]		
	Canada	**U.S.**	**Total**	**Canada**	**U.S.**	**Total**
Period from July 1 to September 30						
Net (loss) income for the period	(1,409)	18,176	16,767	20,422	(13,369)	7,053
Add back (deduct):						
Income tax (recovery) expense	(1,203)	—	(1,203)	4,347	18	4,365
Depreciation of property and equipment	4,829	2	4,831	5,864	564	6,428
Interest on long-term indebtedness	8,935	974	9,909	6,396	3,574	9,970
Depreciation of right of use assets	8,012	—	8,012	8,400	613	9,013
Amortization of intangible assets	206	—	206	126	—	126
Lease liability interest	7,508	693	8,201	8,274	629	8,903
Impairment (recovery) of non-financial assets	4,015	(12,361)	(8,346)	582	15	597
Loss (gain) on redemption liabilities	171	—	171	(1,269)	—	(1,269)
Canadian franchise dealership and corporate restructuring charges	17,576	—	17,576	(1,628)	—	(1,628)
Unrealized fair value changes in derivative instruments	1,642	—	1,642	5,268	—	5,268
Unrealized foreign exchange losses (gains)	2,353	—	2,353	378	—	378
Software implementation costs	664	—	664	1,013	—	1,013
Cybersecurity incident costs	277	—	277	314	—	314
RightRide restructuring charges	—	—	—	2,511	—	2,511
Acquisition related costs	37	—	37	—	—	—
Share-based compensation for transformation plan awards	2,462	—	2,462	—	—	—
Realized foreign exchange gain on divested dealerships	—	(4,946)	(4,946)	—	—	—
(Gain) loss on disposal of assets	(1,338)	(4,956)	(6,294)	197	—	197
Adjusted EBITDA	54,737	(2,418)	52,319	61,195	(7,956)	53,239
Adjusted EBITDA from discontinued operations	3,300	2,472	5,772	1,908	7,956	9,864
Adjusted EBITDA from continuing operations	58,037	54	58,091	63,103	—	63,103

1 *Comparative period revised to reflect current period presentation for reclassification of discontinued operations.*

	Nine-Months Ended September 30, 2025			Nine-Months Ended September 30, 2024 Revised [1]		
	Canada	U.S.	Total	Canada	U.S.	Total
Period from January 1 to September 30						
Net income (loss) for the period	20,684	11,810	32,494	29,533	(57,915)	(28,382)
Add back (deduct):						
Income tax (recovery) expense	8,912	—	8,912	6,862	13,604	20,466
Depreciation of property and equipment	15,518	7	15,525	17,314	1,760	19,074
Interest on long-term indebtedness	25,348	4,151	29,499	18,051	9,636	27,687
Depreciation of right of use assets	24,505	—	24,505	24,261	2,114	26,375
Amortization of intangible assets	454	—	454	377	—	377
Lease liability interest	22,956	2,150	25,106	23,710	2,170	25,880
Impairment (recovery) of non-financial assets	9,764	(12,361)	(2,597)	7,782	11,324	19,106
Gain on redemption liabilities	(970)	—	(970)	(627)	—	(627)
Canadian franchise dealership and corporate restructuring charges	39,326	—	39,326	372	—	372
Unrealized fair value changes in derivative instruments	620	—	620	8,393	—	8,393
Unrealized foreign exchange losses	3,617	—	3,617	205	—	205
Software implementation costs	2,370	—	2,370	2,853	—	2,853
Cybersecurity incident costs	878	—	878	314	—	314
RightRide restructuring charges	1,683	—	1,683	2,511	—	2,511
Acquisition related costs	236	—	236	—	—	—
Share-based compensation for transformation plan awards	3,743	—	3,743	—	—	—
Realized foreign exchange gain on divested dealerships	—	(4,946)	(4,946)	—	—	—
Gain on disposal of assets	(15,252)	(5,834)	(21,086)	(22,429)	—	(22,429)
Adjusted EBITDA	164,392	(5,023)	159,369	119,482	(17,307)	102,175
Adjusted EBITDA from discontinued operations	1,238	4,861	6,099	3,909	17,307	21,216
Adjusted EBITDA from continuing operations	165,630	(162)	165,468	123,391	—	123,391

1. *Comparative period revised to reflect current period presentation for reclassification of discontinued operations.*

The following table illustrate segmented collision adjusted EBITDA from continuing operations for the three-months ended September 30. There is no discontinued operation in Collision Operations.

	Three-Months Ended September 30, 2025			Three-Months Ended September 30, 2024		
Collision Operations	Canada	U.S.	Total	Canada	U.S.	Total
Period from July 1 to September 30						
Net income for the period	2,630	55	2,685	2,955	—	2,955
Add back (deduct):						
Depreciation of right of use assets	606	—	606	585	—	585
Depreciation of property and equipment	522	2	524	485	—	485
Lease liability interest	834	—	834	840	—	840
Loss on disposal of assets	125	—	125	—	—	—
Adjusted EBITDA	4,717	57	4,774	4,865	—	4,865

Collision Operations	Nine-Months Ended September 30, 2025 Canada	U.S.	Total	Nine-Months Ended September 30, 2024 Canada	U.S.	Total
Period from January 1 to September 30						
Net income (loss) for the period	8,764	(166)	8,598	5,271	—	5,271
Add back (deduct):						
Depreciation of right of use assets	1,911	—	1,911	1,655	—	1,655
Depreciation of property and equipment	1,425	7	1,432	1,291	—	1,291
Lease liability interest	2,633	—	2,633	2,388	—	2,388
(Gain) loss on disposal of assets	(7)	—	(7)	10	—	10
Adjusted EBITDA	14,726	(159)	14,567	10,615	—	10,615

Adjusted EBITDA Margin

The following tables illustrate segmented adjusted EBITDA margin from continuing operations for the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30, 2025 Canada	U.S.	Total	Three-Months Ended September 30, 2024 Revised [1] Canada	U.S.	Total
Adjusted EBITDA	58,037	54	58,091	63,103	—	63,103
Revenue	1,200,167	1,290	1,201,457	1,412,525	—	1,412,525
Adjusted EBITDA Margin	4.8%	4.2%	4.8%	4.5%	—%	4.5%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

	Nine-Months Ended September 30, 2025 Canada	U.S.	Total	Nine-Months Ended September 30, 2024 Revised [1] Canada	U.S.	Total
Adjusted EBITDA	165,630	(162)	165,468	123,391	—	123,391
Revenue	3,777,941	1,815	3,779,756	4,005,712	—	4,005,712
Adjusted EBITDA Margin	4.4%	(8.9)%	4.4%	3.1%	—%	3.1%

The following tables illustrate collision adjusted EBITDA margin for the three-month periods and nine-month periods ended September 30:

Collision Operations	Three-Months Ended September 30, 2025 Canada	U.S.	Total	Three-Months Ended September 30, 2024 Canada	U.S.	Total
Adjusted EBITDA	4,717	57	4,774	4,865	—	4,865
Revenue	36,229	1,290	37,519	31,487	—	31,487
Adjusted EBITDA Margin	13.0 %	4.4 %	12.7 %	15.5 %	— %	15.5 %

Collision Operations	Nine-Months Ended September 30, 2025 Canada	U.S.	Total	Nine-Months Ended September 30, 2024 Canada	U.S.	Total
Adjusted EBITDA	14,726	(159)	14,567	10,615	—	10,615
Revenue	114,450	1,815	116,265	94,651	—	94,651
Adjusted EBITDA Margin	12.9 %	(8.8)%	12.5 %	11.2 %	— %	11.2 %

Normalized Operating Expenses Before Depreciation and Normalized Operating Expenses Before Depreciation as a Percentage of Gross Profit

The following tables illustrate segmented normalized opex before depreciation and normalized opex before depreciation as a percentage of gross profit from continuing operations for the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30, 2025			Three-Months Ended September 30, 2024 Revised [1]		
	Canada	**U.S.**	**Total**	**Canada**	**U.S.**	**Total**
Operating expenses before depreciation	148,430	376	148,806	166,565	—	166,565
Normalizing Items:						
Deduct:						
Acquisition-related costs	(37)	—	(37)	(351)	—	(351)
Software implementation costs	(664)	—	(664)	(1,013)	—	(1,013)
Canadian franchise dealership and corporate restructuring charges	(17,576)	—	(17,576)	1,628	—	1,628
Share-based compensation expense	(4,241)	—	(4,241)	(1,873)	—	(1,873)
Normalized Opex before depreciation	125,912	376	126,288	164,956	—	164,956
Gross profit	186,978	433	187,411	240,988	—	240,988
Normalized Opex Before Depreciation as a percentage of gross profit (%)	67.3%	86.8%	67.4%	68.4%	—%	68.4%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

	Nine-Months Ended September 30, 2025			Nine-Months Ended September 30, 2024 Revised [1]		
	Canada	**U.S.**	**Total**	**Canada**	**U.S.**	**Total**
Operating expenses before depreciation	466,316	779	467,095	500,623	—	500,623
Normalizing Items:						
Deduct:						
Acquisition-related costs	(236)	—	(236)	(1,051)	—	(1,051)
Software implementation costs	(2,370)	—	(2,370)	(2,853)	—	(2,853)
Canadian franchise dealership and corporate restructuring charges	(39,326)	—	(39,326)	(2,000)	—	(2,000)
Management transition costs	—	—	—	(4,704)	—	(4,704)
Share-based compensation expense	(8,224)	—	(8,224)	(6,274)	—	(6,274)
Normalized Opex before depreciation	416,160	779	416,939	483,741	—	483,741
Gross profit	610,194	620	610,814	659,323	—	659,323
Normalized Opex Before Depreciation as a percentage of gross profit (%)	68.2%	125.6%	68.3%	73.4%	—%	73.4%

1. Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

Gross Lease Adjusted Indebtedness and Gross Lease Adjusted Leverage Ratio Reconciliation

The following table illustrates the Company's gross lease adjusted indebtedness and gross lease adjusted leverage ratio from continuing operations as at September 30, 2025 and December 31, 2024:

	September 30, 2025 $	December 31, 2024 Revised[1] $
Credit facility, net of unamortized deferred financing costs	119,494	154,878
$350 Million Notes, net of unamortized deferred financing costs	346,975	346,300
Non-recourse mortgages and other debt	39,396	40,473
Total indebtedness	505,865	541,651
Add: Lease liabilities	412,183	457,172
Gross lease adjusted indebtedness	**918,048**	**998,823**
Adjusted EBITDA - trailing twelve months	219,847	177,770
Gross lease adjusted leverage ratio	**4.18x**	**5.62x**

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

15. SELECTED ANNUAL COMPARATIVE INFORMATION

The following table shows the revised continuing operations results of the Company for the years ended December 31, 2024 and December 31, 2023.

Continuing Operations	2024 Revised[1]	2023 Revised[1]
Income Statement Data		
New vehicles	2,305,710	2,241,517
Used vehicles	1,980,872	2,211,437
Parts and service	556,297	565,571
Collision repair	130,913	116,123
Finance, insurance and other	297,758	312,615
Revenue	5,271,550	5,447,263
New vehicles	170,522	195,709
Used vehicles	65,637	109,256
Parts and service	301,980	304,640
Collision repair	65,195	57,072
Finance, insurance and other	272,108	291,963
Gross Profit	875,442	958,640
Gross profit %	16.6%	17.6 %
Operating expenses	720,407	756,659
Operating expenses as a % of gross profit	82.3%	78.9 %
Operating profit	182,942	215,867
Impairment (recovery) of non-financial assets	4,542	(3,538)
Net income	48,828	66,244
Diluted net income per share attributable to AutoCanada shareholders	1.96	2.57
Adjusted EBITDA	177,770	249,047
Operating Data		
New retail vehicles sold	35,363	34,843
Used retail vehicles sold	47,442	52,094
Total retail vehicles sold	82,805	86,937

1 *Comparative period revised to reflect current period presentation for reclassification of discontinued operations.*

16. SELECTED QUARTERLY FINANCIAL INFORMATION

The following table shows the results of the Company for each of the eight most recently completed quarters. Results from operations are subject to seasonality and have historically been lower in the first and fourth quarters and higher in the second and third quarters. In addition, results may be impacted by acquisitions and are not necessarily indicative of the results of operations to be expected in any given comparable period.

Continuing Operations	Q3 2025	Q2 2025	Q1 2025	Q4 2024 Revised [3]	Q3 2024 Revised [3]	Q2 2024 Revised [3]	Q1 2024 Revised [3]	Q4 2023 Revised [3]
Income Statement Data								
New vehicles	550,832	617,508	550,894	574,968	629,421	603,044	498,277	524,568
Used vehicles	417,955	474,165	462,722	440,838	524,916	532,054	483,064	476,882
Parts and service	125,044	137,546	122,813	144,524	144,000	136,934	130,839	145,665
Collision repair	37,519	38,420	40,326	36,262	31,487	30,563	32,601	32,415
Finance, insurance and other	70,107	70,560	63,345	69,245	82,701	78,555	67,257	68,101
Revenue	1,201,457	1,338,199	1,240,100	1,265,837	1,412,525	1,381,150	1,212,038	1,247,631
New vehicles	33,626	40,534	36,419	40,303	44,522	45,526	40,171	44,925
Used vehicles	8,809	25,157	19,423	18,517	26,245	9,372	11,503	22,441
Parts and service	67,596	78,902	66,144	76,843	77,164	78,231	69,742	76,063
Collision repair	17,334	16,561	18,198	17,242	17,527	16,122	14,304	17,312
Finance, insurance and other	60,046	64,213	57,852	63,214	75,530	71,507	61,857	62,736
Gross Profit	187,411	225,367	198,036	216,119	240,988	220,758	197,577	223,477
Gross profit percentage	15.6%	16.8%	16.0%	17.1%	17.1%	16.0%	16.3%	17.9%
Operating expenses	161,807	170,737	174,876	178,674	180,274	186,497	174,962	212,675
Operating expenses as a % of gross profit	86.3%	75.8%	88.3%	82.7%	74.8%	84.5%	88.6%	95.2%
Net (loss) income	(2,901)	18,911	9,707	9,765	27,159	3,935	7,969	(18,908)
Diluted net (loss) income per share attributable to AutoCanada shareholders	(0.14)	0.72	0.37	0.44	1.09	0.12	0.34	(0.66)
Adjusted EBITDA	58,091	64,380	42,997	54,379	63,103	33,469	26,819	50,740
Operating Data								
New retail vehicles sold	7,898	8,790	7,665	8,544	9,599	9,311	7,909	8,161
Used retail vehicles sold	10,048	10,452	10,046	10,589	13,279	12,663	10,911	11,081
Total retail vehicles sold	17,946	19,242	17,711	19,133	22,878	21,974	18,820	19,242
# of dealerships at period end [1]	67	67	68	68	69	71	70	69
# of same store dealerships [1, 2]	66	66	66	66	67	68	68	67
# of service bays at period end	1,116	1,143	1,143	1,151	1,173	1,186	1,167	1,152

1 *Dealerships is defined as 64 franchised automobile dealerships and Used Digital Division dealerships (including 3 used vehicle dealerships).*

2 *Same store is defined as a franchised automobile dealership, stand-alone collision centre, and Used Vehicle Operation that has been owned for at least one full year since acquisition or opening. Same store results are based on continuing operations. Results from same stores divested, discontinued, or wound down in the current period are removed from both the current period and the comparative period.*

3 *Comparative period revised to reflect current period presentation for reclassification of discontinued operations.*

17. SEGMENTED OPERATING RESULTS DATA

Canadian Operations and U.S. Operations Segmented Operating Highlights

The following table shows the segmented operating results for the Company for the three-month periods ended September 30, 2025 and September 30, 2024.

	Three-Months Ended September 30, 2025			Three-Months Ended September 30, 2024		
	Canada $	**U.S. $**	**Total $**	**Canada $**	**U.S. $**	**Total $**
New vehicles	550,832	63,905	614,737	629,496	89,213	718,709
Used vehicles	417,959	20,423	438,382	550,600	63,955	614,555
Parts and service	125,044	18,399	143,443	144,000	26,034	170,034
Collision repair	36,229	1,290	37,519	31,487	—	31,487
Finance, insurance and other	70,085	4,200	74,285	84,060	9,017	93,077
Total revenue	1,200,149	108,217	1,308,366	1,439,643	188,219	1,627,862
New vehicles	33,626	1,779	35,405	44,597	2,663	47,260
Used vehicles	8,829	2,151	10,980	24,539	(2,764)	21,775
Parts and service	67,596	12,014	79,610	77,164	15,339	92,503
Collision repair	16,901	433	17,334	17,527	—	17,527
Finance, insurance and other	60,024	4,199	64,223	76,910	9,017	85,927
Total gross profit	186,976	20,576	207,552	240,737	24,255	264,992
Employee costs	103,032	11,055	114,087	112,088	17,574	129,662
Administrative costs	45,309	10,588	55,897	56,351	12,460	68,811
Facility lease and storage costs	1,008	5	1,013	1,646	—	1,646
Depreciation of right-of-use assets	8,012	—	8,012	8,400	613	9,013
Depreciation of property and equipment	4,829	2	4,831	5,864	564	6,428
Amortization of intangible assets	206	—	206	126	—	126
Total operating expenses[1]	162,396	21,650	184,046	184,475	31,211	215,686
Operating profit (loss) before other income	24,580	(1,074)	23,506	56,262	(6,956)	49,306
Operating data						
New retail vehicles sold	7,898	1,090	8,988	9,599	1,609	11,208
New fleet vehicles sold	600	1	601	446	—	446
Total new vehicles sold	8,498	1,091	9,589	10,045	1,609	11,654
Used retail vehicles sold	10,048	577	10,625	13,279	1,753	15,032
Total retail vehicles sold	17,946	1,667	19,613	22,878	3,362	26,240
# of dealerships at period end [2]	67	13	80	69	18	87
# of service bays at period end	1,116	145	1,261	1,173	235	1,408

1 *Expected credit losses amounting to $0.5 Million, Canada and $—, U.S. in the prior year is revised to reflect current period presentation as net impairment losses on trade and other receivables on the Consolidated Statement of Comprehensive Income (Loss).*

2 *Dealerships is defined as 64 Canadian franchised automobile dealerships and Used Digital Division dealerships (including 3 used vehicle dealerships) as at September 30, 2025.*

The following table shows the segmented operating results for the Company for the nine-month period ended September 30, 2025 and September 30, 2024.

	Nine-Months Ended September 30, 2025			Nine-Months Ended September 30, 2024		
	Canada $	U.S. $	Total $	Canada $	U.S. $	Total $
New vehicles	1,719,280	227,434	1,946,714	1,731,144	262,086	1,993,230
Used vehicles	1,364,504	96,136	1,460,640	1,618,533	193,818	1,812,351
Parts and service	385,403	68,414	453,817	411,773	75,337	487,110
Collision repair	114,450	1,815	116,265	94,651	—	94,651
Finance, insurance and other	204,249	18,963	223,212	233,650	28,777	262,427
Total revenue	3,787,886	412,762	4,200,648	4,089,751	560,018	4,649,769
New vehicles	110,625	6,706	117,331	130,493	13,479	143,972
Used vehicles	53,624	3,197	56,821	47,734	(7,534)	40,200
Parts and service	212,642	41,770	254,412	225,137	43,926	269,063
Collision repair	51,473	620	52,093	47,953	—	47,953
Finance, insurance and other	182,347	18,963	201,310	214,030	28,777	242,807
Total gross profit	610,711	71,256	681,967	665,347	78,648	743,995
Employee costs	316,644	39,395	356,039	341,965	53,386	395,351
Administrative costs	150,470	30,667	181,137	166,663	35,947	202,610
Facility lease and storage costs	2,193	805	2,998	3,838	—	3,838
Depreciation of right-of-use assets	24,505	—	24,505	24,261	2,114	26,375
Depreciation of property and equipment	15,518	7	15,525	17,314	1,760	19,074
Amortization of intangible assets	454	—	454	377	—	377
Total operating expenses [1]	509,784	70,874	580,658	554,418	93,207	647,625
Operating profit (loss) before other income	100,927	382	101,309	110,929	(14,559)	96,370
Operating data						
New vehicles sold	24,353	3,866	28,219	26,819	4,485	31,304
Used retail vehicles sold	30,546	2,751	33,297	36,853	5,345	42,198
Total retail vehicles sold	54,899	6,617	61,516	63,672	9,830	73,502
# of dealerships at period end [2]	67	13	80	69	18	87
# of service bays at period end	1,116	145	1,261	1,173	235	1,408

1 *Expected credit losses amounting to $2.1 Million, Canada and $—, U.S. in the prior year is revised to reflect current period presentation as net impairment losses on trade and other receivables on the Consolidated Statement of Comprehensive Income (Loss).*

2 *Dealerships is defined as 64 Canadian franchised automobile dealerships and Used Digital Division dealerships (including 3 used vehicle dealerships) as at September 30, 2025.*

18. SAME STORE RESULTS DATA

Same store is defined as a franchised automobile dealership, stand-alone collision centre, and Used Vehicle Operation that has been owned for at least one full year since acquisition or opening. Same store results are based on continuing operations. Results from same stores divested, discontinued, or wound down in the current period are removed from both the current period and the comparative period. Therefore, amounts presented in the comparative period may differ from the same store amounts presented in the prior year.

The following table summarizes same store revenue, gross profit, gross profit percentage, and vehicles sold for the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2025 $	2024 Revised[1] $	2025 $	2024 Revised[1] $
New vehicles	550,832	607,937	1,719,234	1,657,758
Used vehicles	417,955	512,984	1,352,181	1,496,224
Parts and service	125,040	136,687	385,240	388,703
Collision repair	36,227	31,487	114,448	93,992
Finance, insurance and other	70,107	80,491	204,034	221,533
Total revenue	1,200,161	1,369,586	3,775,137	3,858,210
New vehicles	33,626	43,198	110,579	125,190
Used vehicles	8,813	24,200	51,533	41,442
Parts and service	67,587	72,702	212,484	212,915
Collision repair	17,016	17,527	51,621	47,734
Finance, insurance and other	60,046	73,363	182,133	202,096
Total gross profit	187,088	230,990	608,350	629,377
New vehicles (%)	6.1%	7.1%	6.4%	7.6%
Used vehicles (%)	2.1%	4.7%	3.8%	2.8%
Parts and service (%)	54.1%	53.2%	55.2%	54.8%
Collision repair (%)	47.0%	55.7%	45.1%	50.8%
Finance, insurance and other (%)	85.6%	91.1%	89.3%	91.2%
Total gross profit percentage (%)	15.6%	16.9%	16.1%	16.3%
New retail vehicles sold (units)	7,898	9,245	24,353	25,616
Used retail vehicles sold (units)	10,048	12,890	30,546	35,627
Total vehicles retailed (units)	17,946	22,135	54,899	61,243

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

The following table summarizes same store revenue and gross profit by geography for the three-month periods and nine-month periods ended September 30:

	Three-Months Ended September 30			Nine-Months Ended September 30		
	2025	2024 Revised [1]	% Change	2025	2024 Revised [1]	% Change
British Columbia	115,674	123,478	(6.3)%	338,793	352,223	(3.8)%
Alberta	311,571	395,028	(21.1)%	1,062,573	1,110,627	(4.3)%
Saskatchewan	90,304	99,454	(9.2)%	293,969	290,685	1.1%
Manitoba	108,427	117,361	(7.6)%	330,031	321,483	2.7%
Ontario	391,806	427,328	(8.3)%	1,163,087	1,184,426	(1.8)%
Quebec	141,710	167,660	(15.5)%	470,918	486,621	(3.2)%
Atlantic	40,669	39,277	3.5 %	115,766	112,145	3.2%
Total revenue	1,200,161	1,369,586	(12.4)%	3,775,137	3,858,210	(2.2)%
British Columbia	15,663	19,628	(20.2)%	49,393	55,228	(10.6)%
Alberta	53,991	77,913	(30.7)%	179,771	189,457	(5.1)%
Saskatchewan	13,903	16,795	(17.2)%	48,076	48,863	(1.6)%
Manitoba	16,735	20,068	(16.6)%	54,470	56,102	(2.9)%
Ontario	59,887	67,064	(10.7)%	187,111	192,789	(2.9)%
Quebec	21,722	24,128	(10.0)%	74,296	70,852	4.9%
Atlantic	5,187	5,394	(3.8)%	15,233	16,086	(5.3)%
Total gross profit	187,088	230,990	(19.0)%	608,350	629,377	(3.3)%

1 Comparative period revised to reflect current period presentation for reclassification of discontinued operations.

19. COUNT OF OPERATIONS

The following table lists the count and same store count for franchised dealerships, Used Vehicle Operations, and collision centres, organized by province and state as of September 30, 2025 from continuing operations and discontinued operations.

Location	Franchised Dealerships	Same Store Franchised Dealerships [1]	Used Vehicle Operations	Same Store Used Vehicle Operations	Collision Centres [1]	Same Store Stand-Alone Collision Centres
Canada	**64**	**64**	**3**	**3**	**30**	**14**
Alberta	17	17	—	—	6	4
Atlantic	2	2	—	—	1	—
British Columbia	9	9	—	—	1	1
Manitoba	5	5	1	1	4	—
Ontario	23	23	2	2	10	6
Quebec	4	4	—	—	4	2
Saskatchewan	4	4	—	—	4	1
U.S.	**13**	**—**	**—**	**—**	**—**	**—**
Illinois [2, 3]	13	—	—	—	—	—
Total	**77**	**64**	**3**	**3**	**30**	**14**

1 Collision centres includes 14 stand-alone collision centres within our group of 30 collision centres. DCCHail Illinois is excluded from the Collision centre count as there is no physical location.

2 This franchise dealership count includes 2 individual storefronts that consists of multiple franchises. One including: Audi, Mercedes-Benz, Lincoln, Subaru, and Volkswagen and another including: Porsche, Audi, Mercedes-Benz and Volkswagen.

3 The Company's franchised dealerships in its U.S. Operations have been classified and presented as discontinued operations.

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