AutoCanada

2026

Third Quarter Management Discussion & Analysis



acx

The Collision division of AutoCanada

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

For the three-month and nine-month periods ended September 30, 2026

Table of Contents

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.	Reader Advisories and Forward-Looking Statements	1
2.	Executive Summary	3
3.	Outlook	6
4.	Results of Operations	9
5.	Acquisitions, Divestitures, Discontinued Operations, and Other Recent Developments	21
6.	Liquidity and Capital Resources	26
7.	Related Party Transactions	32
8.	Outstanding Shares	32
9.	Dividends	32
10.	Critical Accounting Estimates and Accounting Policy Developments	33
11.	Disclosure Controls and Internal Controls Over Financial Reporting	33
12.	Risk Factors	33
13.	Non-GAAP and Other Financial Measures	33
14.	Non-GAAP and Other Financial Measure Reconciliations	37
15.	Selected Quarterly Financial Information	43
16.	Segmented Operating Results Data	44
17.	Same Store Results Data	47
18.	Count of Operations	49

1. READER ADVISORIES AND FORWARD-LOOKING STATEMENTS

This Management's Discussion & Analysis ("MD&A") was prepared as of November 12, 2026, to assist readers in understanding AutoCanada Inc.'s (the "Company" or "AutoCanada") consolidated financial performance for the three and nine-month periods ended September 30, 2026, 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 and nine-month periods ended September 30, 2026 (the "Interim Financial Statements"), the audited annual consolidated financial statements and accompanying notes of AutoCanada as at and for the year ended December 31, 2025 (the "Annual Financial Statements"), and the MD&A for the year ended December 31, 2025. The Interim Financial Statements have been prepared in accordance with IFRS Accounting Standards (as issued by the International Accounting Standards Board) applicable to the 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 12, 2026.

To provide more meaningful information, this MD&A typically refers to the operating results for the three and nine-month periods ended September 30, 2026 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, 2025.

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, Discontinued Operations, and Other Recent Developments and Section 17 Same Store Results Data for further details.

Additional information regarding the Company, including in 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 investor website at investors.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 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 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; the expected aggregate proceeds from the U.S. dealership and land divestitures; the completion and the anticipated timing of completion of the U.S. dealership and land disposition transactions; engagement in selling the remaining dealerships of the U.S. Operations segment; the impact of the U.S. dealership divestitures on the Company's leverage ratio; the anticipated timing of restoring Canadian dealership performance to levels more consistent with industry benchmarks; the impact of restoring Canadian dealership performance to levels more consistent with industry benchmarks on the Company's leverage ratio; the expected accretive growth of collision operations; the

expected incremental annual post-rent EBITDA contribution of collision centres acquired since the third quarter of 2025 once such centres reach maturity; the process for the strategic review of the Company's Collision Operations (the "Strategic Review"), including the potential evaluation, outcome, terms, and timing of any strategic alternatives; the impact of the Strategic Review on AutoCanada and its shareholders; the growth potential, valuation, and ongoing operations of the Collision Operations; and the Company's expectations regarding public disclosure.

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, 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 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, 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 Dealership Operations segment, as of September 30, 2026, operates 61 franchised dealerships in Canada, comprised of 23 automotive brands across 8 provinces as well as three independent used dealerships ("Used Vehicle Operations"). 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 vehicles. In 2025, our Canadian dealerships sold approximately 71,000 new and used retail vehicles. AutoCanada's U.S. franchise dealerships, operating as Leader Automotive Group ("Leader"), operates 9 franchised dealerships comprised of 6 brands, in Illinois, USA. In 2025, our U.S. dealerships sold approximately 8,000 new and used retail vehicles. Leader is classified as discontinued operations as the Company progresses the sale of its U.S. dealership portfolio.

AutoCanada's Collision Operations segment, operating under the ACX brand, operates 38 collision centres ("Collision Centres"), supported by 26 Original Equipment Manufacturer ("OEM") certifications covering 37 vehicle brands, as of September 30, 2026. The Company's Collision Operations enable customer retention across multiple touchpoints within the automotive ownership lifecycle.

Presentation of Continuing Operations and Discontinued Operations

The Company's retail automobile dealerships and related businesses in its Dealership Operations segment and its collision repair services in its Collision Operations segment, both located in Canada, are presented herein as continuing operations. The Company's RightRide division, located in Canada, and its retail automobile dealerships, located in the U.S., both in its Dealership Operations segment, and its collision repair services, located in the U.S., in its Collision Operations segment, have been classified and presented as discontinued operations. Refer to Section 5 Acquisitions, Divestitures, Discontinued Operations, 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 and nine-month periods ended September 30, 2026 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.

2026 Third Quarter Key Highlights and Recent Developments

All comparisons presented below are between the three-month periods ended September 30, 2026 and September 30, 2025 and are based on continuing operations, unless otherwise indicated.

AutoCanada Key Highlights

- Revenue from continuing operations was $1,239.2 million as compared to $1,201.5 million in the prior year, an increase of $37.7 million
- Net income for the period from total operations was $45.1 million as compared to $16.8 million in the prior year
  - Net income from continuing operations was $40.3 million as compared to $(2.9) million in the prior year
  - Net income from discontinued operations was $4.9 million as compared to $19.7 million in the prior year
- Basic net income per share from continuing operations was $1.73 as compared to $(0.15) in the prior year
- Diluted net income per share from continuing operations was $1.63 as compared to $(0.14) in the prior year
- Adjusted EBITDA[1] from total operations was $42.0 million as compared to $52.3 million in the prior year
  - Adjusted EBITDA from continuing operations was $48.4 million as compared to $58.1 million in the prior year
  - Adjusted EBITDA from discontinued operations was $(6.4) million as compared to $(5.8) million in the prior year
- Total Net Funded Debt to Bank EBITDA Ratio[3] was 3.40x, under the Credit Facility, as at September 30, 2026 compared to 3.40x, under the Previous Credit Facility, as at September 30, 2025

THIRD QUARTER RESULTS

	Three-Months Ended September 30		
Continuing Operations Financial Results	**2026 $**	**2025 $**	**Change %**
Revenue	1,239,187	1,201,457	3.1%
Same store revenue	1,227,431	1,172,023	4.7%
Gross profit	196,651	187,411	4.9%
Gross profit percentage [2]	15.9%	15.6%	0.3 ppts
Operating expenses ("Opex")	162,505	161,807	0.4%
Net income (loss)	40,262	(2,901)	1487.9%
Basic net income (loss) per share attributable to AutoCanada shareholders	1.73	(0.15)	1253.3%
Diluted net income (loss) per share attributable to AutoCanada shareholders	1.63	(0.14)	1264.3%
Adjusted EBITDA	48,402	58,091	(16.7)%
Adjusted EBITDA margin [1]	3.9%	4.8%	(0.9) ppts
New retail vehicles sold (units) [2]	7,948	7,898	0.6%
Used retail vehicles sold (units) [2]	10,791	10,048	7.4%
New vehicle gross profit per retail unit [2]	3,354	4,183	(19.8)%
Used vehicle gross profit per retail unit [2]	1,332	735	81.2%
Parts and service ("P&S") gross profit	64,964	67,596	(3.9)%
Collision repair ("Collision") gross profit	25,021	17,334	44.3%
Finance, insurance and other ("F&I") gross profit per retail unit average [2]	3,381	3,346	1.0%
Operating expenses before depreciation [2]	148,888	148,806	0.1%
Operating expenses before depreciation as a % of gross profit [2]	75.7%	79.4%	(3.7) ppts
Normalized opex before depreciation [1]	141,608	126,288	12.1%
Normalized opex before depreciation as a percentage of gross profit (%) [1]	72.0%	67.4%	4.6 ppts
Floorplan financing expense	8,660	8,871	(2.4)%

[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 calculation of this financial covenant.*

Other Recent Developments

During the quarter:

- On July 14, 2026, the Company sold substantially all of the operating assets of Island Chevrolet Buick GMC in Duncan, British Columbia, Abbotsford Volkswagen in Abbotsford, British Columbia, and Chilliwack Volkswagen in Chilliwack, British Columbia for cash consideration of $34.4 million. These dealerships were previously presented as held for sale in the Dealership Operations segment.
- On September 1, 2026, the Company acquired 100% of the shares of Doug's Place Too Collision Repair Inc. , a collision repair business in Edmonton, Alberta. The acquisition supports management's strategic objectives of expanding the Company's collision repair capacity in the Edmonton market and enhances OEM and insurance partner coverage.
- On September 25, 2026, the Company purchased the 10% equity interest in 15154871 Canada Inc., a subsidiary of AutoCanada UD LP, that sells finance, insurance, and warranty products to buyers of private owner-sold vehicles on Kijiji's online marketplaces (the "Online C2C F&I Business"), from the non-controlling shareholder for cash consideration of $8.0 million. The Company now holds a 100% ownership interest in 15154871 Canada Inc.
- On September 29, 2026, the Company announced that its Board of Directors is initiating a strategic review of the Company's Collision Operations and has established a special committee of independent directors to analyze and evaluate a range of strategic alternatives intended to maximize value for AutoCanada and its shareholders and to support the continued growth of its Collision Operations.

After the quarter:

- On October 5, 2026, the Company acquired two Colorworks Autobody collision repair facilities located in Coquitlam and Port Coquitlam, British Columbia, for a provisional purchase price of $5.3 million subject to customary closing conditions.
- On November 2, 2026, the Company acquired a collision repair facility ("ACX Cochrane") located in Cochrane, Alberta, for a provisional purchase price of $2.5 million subject to customary closing conditions.

Dealership Operations Highlights

	Three-Months Ended September 30		
Dealership Financial Results	**2026 $**	**2025 $**	**Change %**
Revenue	1,193,679	1,163,938	2.6%
Gross profit	171,630	170,077	0.9%
Gross profit percentage	14.4 %	14.6 %	(0.2) ppts
Adjusted EBITDA	40,826	53,317	(23.4)%
New retail vehicles sold (units)	7,948	7,898	0.6%
Used retail vehicles sold (units)	10,791	10,048	7.4%
New vehicle gross profit per retail unit	3,354	4,183	(19.8)%
Used vehicle gross profit per retail unit	1,332	735	81.2%
P&S gross profit	64,964	67,596	(3.9)%
F&I gross profit per retail unit average	3,381	3,346	1.0%
Same store revenue	1,190,867	1,135,794	4.8%
Same store gross profit	171,537	165,369	3.7%
Same store gross profit percentage	14.4%	14.6%	(0.2) ppts

Collision Operations Highlights

Collision Financial Results	Three-Months Ended September 30 2026 $	2025 $	Change %
Revenue	45,508	37,519	21.3%
Gross profit	25,021	17,334	44.3%
Gross profit percentage	55.0%	46.2%	8.8 ppts
Adjusted EBITDA	7,576	4,774	58.7%
Same store revenue	36,564	36,229	0.9%
Same store gross profit	21,107	16,901	24.9%
Same store gross profit percentage	57.7%	46.7%	11.0 ppts

3. OUTLOOK

Dealership Outlook

Canadian new light vehicle demand remained resilient during the third quarter of 2026. Industry sales[4] increased approximately 1.8% year-over-year during the quarter, with flat sales in July before increasing 2.8% in August and 2.4% in September. For the first nine months of 2026, Canadian new light vehicle sales were approximately 1.0% below the prior year.

Management expects industry demand to remain muted through the balance of 2026 as elevated vehicle pricing, financing costs, and broader economic uncertainty continue to affect consumer affordability and purchasing decisions. Full-year Canadian industry sales are currently expected to be approximately 1.9 million units, or down approximately 4% versus 2025.

Against this backdrop, the Company continued to advance its dealership operating plan during the third quarter. Management remains focused on strengthening operating discipline, improving accountability, rebuilding sales productivity, and establishing more consistent execution across the dealership network. Although progress was made during the quarter, the Company continues to view 2026 as a transition year and expects that sustained execution will be required to restore dealership performance to levels more consistent with industry benchmarks.

Third-quarter results reflected early progress in certain areas, including higher used vehicle volumes, improved inventory turnover and increased finance and insurance gross profit per retail unit. Used retail vehicle sales increased 7.4% year-over-year during the quarter, while used vehicle inventory days of supply declined to 64 days from 72 days in the prior-year period. However, used vehicle profitability remained below historical levels as the Company continued to work through aged inventory.

New retail vehicle volumes remained under pressure, increasing 0.6% year-over-year during the quarter, reflecting softer industry demand and the ongoing rebuilding of sales productivity. New vehicle gross profit per retail unit declined modestly, while new vehicle inventory days of supply increased to 95 days from 83 days.

Parts and service performance also remained below the prior year, reflecting lower service repair order volumes and higher labour and material costs. Management continues to view improving parts and service operations as a significant opportunity and is focused on increasing technician and service advisor productivity, service bay utilization, customer retention and parts and service absorption.

Management's priorities for dealership operations during the balance of 2026 include:

- Improving new and used vehicle sales productivity and conversion;
- Restoring used vehicle gross profit per unit while maintaining inventory discipline;
- Improving used vehicle sourcing, inventory turns and wholesale performance;
- Increasing fixed operations productivity, service bay utilization and customer retention;
- Strengthening finance and insurance execution and consistency;
- Maintaining operating expense discipline while preserving appropriate frontline capacity;
- Improving working capital efficiency; and

[4] Source: WardsAuto data regarding New Light Vehicle sales.

- Continuing to embed standardized operating practices, training, accountability and performance management across the dealership network.

Management believes these initiatives are establishing a clearer path toward improved profitability and more consistent execution. However, the timing and pace of recovery will depend on continued operational progress and broader industry conditions. The Company believes the operational initiatives implemented during the first half of the year have established a stronger foundation for improved financial performance, with continued progress expected as sales productivity, fixed operations, used vehicle performance and cost discipline continue to improve.

Collision Outlook

Collision operations continue to represent an important long-term growth platform for the Company, supported by insurance-related demand, attractive margin characteristics and consolidation opportunities within a highly fragmented Canadian market.

During the third quarter, Collision revenue increased 21.3% year-over-year, driven by contributions of newly acquired collision centres and expanded core collision capacity. Gross profit increased 44.3%, and gross profit percentage increased to 55.0% from 46.2%, reflecting contributions from acquired traditional collision businesses and a more favourable mix relative to lower-margin paintless dent repair activity.

The Company continued to advance its collision growth strategy during the quarter through the acquisition of ACX Southgate in Edmonton, Alberta. The acquisition expanded the Company's collision repair capacity in the Edmonton market and enhances OEM and insurance partner coverage. Since the third quarter of 2025, the Company has acquired 10 collision centres that at maturity are expected to add an additional $7.1 million of annual post-rent EBITDA[5].

Management remains focused on integrating recently acquired locations and improving performance across the broader platform. Key operational priorities include:

- Expanding OEM certifications and insurance direct repair program relationships;
- Increasing referral volumes from insurers, OEMs and the Company's dealership network;
- Advancing a standardized national operating model;
- Expanding apprenticeship and technician-development programs;
- Increasing capacity utilization and operational throughput;
- Expanding higher-value services, including diagnostics, calibrations, and coatings;
- Strengthening procurement and vendor relationships; and
- Continuing the rollout of the ACX national brand and B2B strategy.

The Company intends to continue pursuing disciplined collision growth opportunities that enhance regional density, expand capabilities and support long-term margin and cash flow growth. The pace of acquisition activity will remain subject to balance sheet capacity, the availability of attractive opportunities and the Company's ability to integrate acquired businesses effectively.

During the third quarter, the Company's Board of Directors initiated a strategic review of the Company's Collision Operations (the "Strategic Review"). The Board established a special committee of independent directors (the "Special Committee") to analyze and evaluate a range of strategic alternatives intended to maximize value for AutoCanada and its shareholders and to support the continued growth of its Collision Operations. These alternatives may include, but are not limited to, a separation of the business from AutoCanada, and a potential sale of all or part of the business. The Company has engaged TD Securities Inc. as its exclusive financial advisor for the Strategic Review.

The Board believes the value and growth potential of the Company's Collision Operations may not be fully reflected in AutoCanada's current public market valuation.

U.S. Dealerships Divestiture Update

The Company continues to make meaningful progress on the divestiture of its U.S. dealership portfolio. With approximately $106 million in gross proceeds, excluding working capital, received to date, the Company is on track to realize proceeds within the previously disclosed range of $115 million to $130 million. The Company has entered

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

into a definitive agreement for the remaining 9 dealerships (2 individual storefronts). The Company expects additional proceeds from related land dispositions, previously identified as held for sale, of up to $19 million.

Proceeds from these transactions are expected to be directed toward debt reduction and to reinforce the Company's strategic focus on its core Canadian dealership and collision operations. All transactions remain subject to customary closing conditions, including OEM approvals. Upon completion, the divestiture program is expected to enhance financial flexibility, strengthen the balance sheet, and accelerate progress toward the Company's target leverage range of 2.0x to 3.0x Total Net Funded Debt to Bank EBITDA.

Forward-Looking Statements and Outlook

The financial outlook with respect to dealership operations is disclosed to assist current and future shareholders to evaluate the effectiveness of AutoCanada's dealership operating model enhancements and initiatives and readers are cautioned that it may not be suitable for any other purpose. Dealership operating model enhancements and initiatives, the completion, and the anticipated timing of completion, are based on the assumptions that improving sales productivity, improving used vehicle margins, fixed operations growth, improving service bay utilization rates, and operating expense cost discipline will improve dealership financial performance. Additional key assumptions or risk factors with respect to improvements in the dealership operating model include the risk of economic stability and other external factors, which may delay progress toward the Company's targeted 2.0x-3.0x Total Net Funded Debt to Bank EBITDA leverage ratio.

The financial outlook with respect to collision operations is disclosed to assist current and future shareholders to evaluate the effectiveness of AutoCanada's collision growth plan and collision operating model enhancements and initiatives and readers are cautioned that it may not be suitable for any other purposes. The expected accretive growth of collision operations and the anticipated timing is based on the assumptions that acquisition opportunities remain available, attractive and accretive, newly acquired collision centres are being integrated effectively, and financing continues to be accessible on reasonable and acceptable terms. Collision operating model enhancements and initiatives, the completion, and the anticipated timing of completion, are based on the assumptions that expanding OEM certifications and insurance direct repair program relationships, increasing referral volumes, standardizing the national operating model, expanding apprenticeship and technician-development programs, expanding higher-value services, strengthening procurement and vendor relationships, and completing the rollout of the ACX national brand and B2B strategy will improve collision financial performance. Additional key assumptions or risk factors with respect to the accretive growth of collision operations and collision operating model enhancements and initiatives is the willingness of sellers, economic and industry stability, and other external factors.

The financial outlook with respect to the expected incremental annual post-rent EBITDA contribution of collision centres acquired since the third quarter of 2025 is disclosed to assist current and future shareholders to evaluate the expected contribution of recent acquisitions to AutoCanada's collision platform and readers are cautioned that it may not be suitable for any other purpose. The expected post-rent EBITDA contribution of such collision centres at maturity is based on the assumptions that repair volumes and capacity utilization achieve anticipated levels, insurer direct repair program and OEM certification relationships are established and maintained, technicians are available at anticipated labour costs, parts and materials costs and lease terms remain consistent with management's expectations, and such centres reach maturity within the anticipated timeframe. Additional key assumptions or risk factors with respect to the expected post-rent EBITDA contribution include integration challenges, technician shortages, cost inflation, economic and industry stability, and other external factors.

Forward-looking statements with respect to the expected aggregate proceeds from the U.S. dealership and land divestitures, the anticipated timing of completion of the U.S. disposition transactions, and the engagement in selling the remaining U.S. dealerships and lands 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 U.S. disposition transactions, and the engagement in selling the remaining dealerships of the U.S. dealerships and lands 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.

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 and nine-month periods ended September 30.

	Three-Months Ended September 30			
	2026 $	**2025 $**	**Change $**	**Change %**
New vehicles	557,960	550,832	7,128	1.3%
Used vehicles	446,906	417,955	28,951	6.9%
Parts and service	119,720	125,044	(5,324)	(4.3)%
Collision repair	45,508	37,519	7,989	21.3%
Finance, insurance and other	69,093	70,107	(1,014)	(1.4)%
Total revenue	1,239,187	1,201,457	37,730	3.1%
New vehicles	26,962	33,626	(6,664)	(19.8)%
Used vehicles	16,345	8,809	7,536	85.5%
Parts and service	64,964	67,596	(2,632)	(3.9)%
Collision repair	25,021	17,334	7,687	44.3%
Finance, insurance and other	63,359	60,046	3,313	5.5%
Total gross profit	196,651	187,411	9,240	4.9%

	Nine-Months Ended September 30			
	2026 $	**2025 $**	**Change $**	**Change %**
New vehicles	1,685,185	1,719,234	(34,049)	(2.0)%
Used vehicles	1,462,817	1,354,842	107,975	8.0%
Parts and service	374,928	385,403	(10,475)	(2.7)%
Collision repair	121,495	116,265	5,230	4.5%
Finance, insurance and other	202,151	204,012	(1,861)	(0.9)%
Total revenue	3,846,576	3,779,756	66,820	1.8%
New vehicles	96,251	110,579	(14,328)	(13.0)%
Used vehicles	30,093	53,389	(23,296)	(43.6)%
Parts and service	199,779	212,642	(12,863)	(6.0)%
Collision repair	61,093	52,093	9,000	17.3%
Finance, insurance and other	185,571	182,111	3,460	1.9%
Total gross profit	572,787	610,814	(38,027)	(6.2)%

	Three-Months Ended September 30			Nine-Months Ended September 30		
	2026 %	2025 %	Change ppts	2026 %	2025 %	Change ppts
New vehicles	4.8%	6.1%	(1.3)	5.7%	6.4%	(0.7)
Used vehicles	3.7%	2.1%	1.6	2.1%	3.9%	(1.8)
Parts and service	54.3%	54.1%	0.2	53.3%	55.2%	(1.9)
Collision repair	55.0%	46.2%	8.8	50.3%	44.8%	5.5
Finance, insurance and other	91.7%	85.6%	6.1	91.8%	89.3%	2.5
Total gross profit percentage	15.9%	15.6%	0.3	14.9%	16.2%	(1.3)

For the three-month period ended September 30, 2026

Revenue increased by 3.1% to $1,239.2 million for the three-month period ended September 30, 2026 compared to the three-month period ended September 30, 2025, primarily due to increases in new vehicle sales, used vehicle sales, and collision repair. This was partially offset by decreases in parts and service and finance, insurance and other ("F&I").

Gross profit increased by 4.9% to $196.7 million for the three-month period ended September 30, 2026 compared to the three-month period ended September 30, 2025, driven by increases in gross profit from used vehicle, collision repair, and F&I. This was partially offset by decreases in new vehicle and parts and service gross profits.

Gross profit percentage increased 0.3 ppts to 15.9% for the three-month period ended September 30, 2026, driven mainly by increases in used vehicles, parts and services, collision repair and F&I gross profit percentages. This was partially offset by a decline in new vehicle gross profit percentage.

For the three-months ended September 30, 2026, new and used vehicles generated 81.0% of revenue and 22.0% of gross profit, while F&I, parts and service and collision repair services generated 19.0% of revenue and contributed 78.0% of gross profit.

For the nine-month period ended September 30, 2026

Revenue increased by 1.8% to $3,846.6 million for the nine-month period ended September 30, 2026 compared to the nine-month period ended September 30, 2025, primarily due to increases in used vehicle sales and collision repair services. This was partially offset by decreases in new vehicle sales, parts and service, and F&I.

Gross profit decreased by (6.2)% to $572.8 million for the nine-month period ended September 30, 2026 compared to the nine-month period ended September 30, 2025, driven by decreases in new vehicle, used vehicle, and parts and service gross profits. This decline was partially offset by an increase in gross profit from collision repair services and F&I.

Gross profit percentage decreased (1.3) ppts to 14.9% for the nine-month period ended September 30, 2026, driven mainly by decreases in new vehicles, used vehicles and parts and services gross profit percentages. This decline was partially offset by an increase in collision repair services and F&I gross profit percentage.

For the nine-months ended September 30, 2026, new and used vehicles generated 81.8% of revenue and 22.1% of gross profit, while F&I, parts and service and collision repair services generated 18.2% of revenue and contributed 77.9% of gross profit.

New vehicles

For the three-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2026 and changes compared to the three-month period ended September 30, 2025.

New Vehicle Financial Results	Three-Months Ended September 30 2026 $	2025 $	Change $	Change %
Revenue	557,960	550,832	7,128	1.3%
Gross profit	26,962	33,626	(6,664)	(19.8)%
Gross profit percentage (%)	4.8%	6.1%		(1.3) ppts
New retail vehicles sold (units)	7,948	7,898	50	0.6%
New vehicle gross profit per retail unit ($)	3,354	4,183	(829)	(19.8)%
New vehicle Inventory days of supply (days)[4]	95	83	12	14.5%
Average selling price per new vehicle ($)	65,236	64,819	417	0.6%
Same store revenue	556,672	539,695	16,977	3.1%
Same store gross profit	27,299	32,519	(5,220)	(16.1)%
Same store gross profit percentage (%)	4.9%	6.0%		(1.1) ppts
Same store new retail vehicles sold (units)	7,925	7,705	220	2.9%

Continuing Operations

Revenue increased 1.3% to $558.0 million due to an increase in new retail vehicles sold and an increase in average selling price per new vehicle, partially offset by a decrease in new fleet vehicle[6] sales. New retail vehicles sold increased in the three-month period ended September 30, 2026 driven by Company's continued focus on strengthening operating discipline and improving sales productivity, partially offset by softer customer demand consistent with the industry trend, and lower volumes following the divestiture of three dealerships during the quarter.

Gross profit decreased (19.8)% to $27.0 million and gross profit percentage decreased (1.3) ppts compared with the three-month period ended September 30, 2025, as a result of a (19.8)% decrease in gross profit per retail unit despite a 0.6% higher average selling price and 0.6% higher new retail units sold.

New vehicle inventory days of supply increased to 95 days of supply during the quarter (2025 - 83 days).

Same Store Results

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

For the nine-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

New Vehicle Financial Results	Nine-Months Ended September 30 2026 $	2025 $	Change $	Change %
Revenue	1,685,185	1,719,234	(34,049)	(2.0)%
Gross profit	96,251	110,579	(14,328)	(13.0)%
Gross profit percentage (%)	5.7%	6.4%		(0.7) ppts
New retail vehicles sold (units)	22,333	24,353	(2,020)	(8.3)%
New vehicle gross profit per retail unit ($)	4,251	4,462	(211)	(4.7)%
New Vehicle Inventory days of supply (days)	91	88	3	3.4%
Average selling price per new vehicle ($)	67,397	65,313	2,084	3.2%
Same store revenue	1,660,493	1,678,073	(17,580)	(1.0)%
Same store gross profit	94,928	106,682	(11,754)	(11.0)%
Same store gross profit percentage (%)	5.7%	6.4%		(0.7) ppts
Same store new retail vehicles sold (units)	21,954	23,646	(1,692)	(7.2)%

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

Continuing Operations

Revenue decreased (2.0)% to $1,685.2 million 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[7] sales. New retail vehicles sold decreased for the nine-month period ended September 30, 2026 driven by softer customer demand consistent with industry trends, and disruption as the Company rebuilds sales productivity.

Gross profit decreased (13.0)% to $96.3 million and gross profit percentage decreased (0.7) ppts as compared with the nine-month period ended September 30, 2025, as a result of a (8.3)% decrease in new retail units sold and (4.7)% decrease in gross profit per retail unit, partially offset by a 3.2% higher average selling price.

New vehicle inventory days of supply increased to 91 days of supply for the nine-month period ended September 30, 2026 (2025 - 88 days).

Same Store Results

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

Used vehicles

For the three-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2026 and changes compared to the three-month period ended September 30, 2025.

	Three-Months Ended September 30			
Used Vehicle Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	446,906	417,955	28,951	6.9%
Gross profit	16,345	8,809	7,536	85.5%
Gross profit percentage (%)	3.7%	2.1%		1.6 ppts
Used retail vehicles sold (units)	10,791	10,048	743	7.4%
Used vehicle gross profit per retail unit ($)	1,332	735	597	81.2%
Used Vehicle Inventory days of supply (days)	64	72	(8)	(11.1)%
Average selling price per used vehicle ($)	41,415	41,596	(181)	(0.4)%
Same store revenue	445,867	406,041	39,826	9.8%
Same store gross profit	16,452	8,658	7,794	90.0%
Same store gross profit percentage (%)	3.7%	2.1%		1.6 ppts
Same store used retail vehicles sold (units)	10,761	9,752	1,009	10.3%

Continuing Operations

Used vehicle revenue increased 6.9% to $446.9 million as a result of an increase in used retail vehicles sold, partially offset by lower average selling price per used vehicle, and lower used wholesale revenue. Used retail vehicles sold increased in the three-month period ended September 30, 2026 driven by improved sales productivity amidst the softness of the used car market which was driven by lack of affordability, as well as lower used volumes following the divestiture of three dealerships during the quarter.

Gross profit increased 85.5% to $16.3 million and gross profit percentage increased 1.6 ppts as compared with the three-month period ended September 30, 2025, as the Company continued to work through aged used vehicle inventory in the period.

Used vehicle inventory days of supply decreased by 8 days to 64 days (2025 - 72 days).

Same Store Results

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

For the nine-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

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

Used Vehicle Financial Results	Nine-Months Ended September 30 2026 $	2025 $	Change $	Change %
Revenue	1,462,817	1,354,842	107,975	8.0%
Gross profit	30,093	53,389	(23,296)	(43.6)%
Gross profit percentage (%)	2.1%	3.9%		(1.8) ppts
Used retail vehicles sold (units)	32,224	30,546	1,678	5.5%
Used vehicle gross profit per retail unit ($)	641	1,316	(675)	(51.3)%
Used Vehicle Inventory days of supply (days)	61	68	(7)	(10.3)%
Average selling price per used vehicle ($)	45,395	44,354	1,041	2.3%
Same store revenue	1,436,541	1,322,290	114,251	8.6%
Same store gross profit	29,811	52,209	(22,398)	(42.9)%
Same store gross profit percentage (%)	2.1%	3.9 %		(1.8) ppts
Same store used retail vehicles sold (units)	31,507	29,705	1,802	6.1%

Continuing Operations

Used vehicle revenue increased 8.0% to $1,462.8 million as a result of an increase in used retail vehicles sold, higher average selling price per used vehicle, and higher used wholesale revenue. Used retail vehicles sold increased in the nine-month period ended September 30, 2026 driven by improved sales productivity, amidst the softness of the used car market which was driven by lack of affordability, as well as lower used volumes following the divestiture of three dealerships during the quarter.

Gross profit decreased (43.6)% to $30.1 million and gross profit percentage decreased (1.8) ppts as compared with the nine-month period ended September 30, 2025, as the Company continued to work through aged used vehicle inventory in the period, and were consistent with the downward trend of the broader market.

Used vehicle inventory days of supply decreased by 7 days to 61 days (2025 - 68 days).

Same Store Results

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

Parts and service

For the three-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2026 and changes compared to the three-month period ended September 30, 2025.

Parts and Service Financial Results	Three-Months Ended September 30 2026 $	2025 $	Change $	Change %
Revenue	119,720	125,044	(5,324)	(4.3)%
Gross profit	64,964	67,596	(2,632)	(3.9)%
Gross profit percentage (%)	54.3%	54.1%		0.2 ppts
Same store revenue	119,379	121,578	(2,199)	(1.8)%
Same store gross profit	64,564	65,675	(1,111)	(1.7)%
Same store gross profit percentage (%)	54.1%	54.0%		0.1 ppts

Continuing Operations

Revenue and gross profit decreased in the three-month period ended September 30, 2026 as compared to the three-month period ended September 30, 2025, driven mainly by a decrease in service repair orders, partially offset by an increase in customer-pay hours and gross profit per repair order. Gross profit percentage increased 0.2 ppts to 54.3% for the same reasons noted above.

Same Store Results

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

For the nine-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

	Nine-Months Ended September 30			
Parts and Service Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	374,928	385,403	(10,475)	(2.7)%
Gross profit	199,779	212,642	(12,863)	(6.0)%
Gross profit percentage (%)	53.3%	55.2%		(1.9) ppts
Same store revenue	367,968	375,235	(7,267)	(1.9)%
Same store gross profit	195,695	206,638	(10,943)	(5.3)%
Same store gross profit percentage (%)	53.2%	55.1%		(1.9) ppts

Continuing Operations

Revenue, gross profit and gross profit percentage decreased in the nine-month period ended September 30, 2026 as compared to the nine-month period ended September 30, 2025, driven mainly by a decrease in service repair orders, partially offset by an increase in customer-pay hours and gross profit per repair order.

Same Store Results

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

Collision repair

For the three-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2026 and changes compared to the three-month period ended September 30, 2025.

	Three-Months Ended September 30			
Collision Repair Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	45,508	37,519	7,989	21.3%
Gross profit	25,021	17,334	7,687	44.3%
Gross profit percentage (%)	55.0%	46.2%		8.8 ppts
Same store revenue	36,564	36,229	335	0.9%
Same store gross profit	21,107	16,901	4,206	24.9%
Same store gross profit percentage (%)	57.7%	46.7%		11.0 ppts

Continuing Operations

Revenue increased 21.3% to $45.5 million and gross profit increased 44.3% to $25.0 million, driven by contributions of newly acquired collision centres and expanded core collision capacity.

Gross profit percentage increased8.8 ppts primarily driven by disciplined execution across core collision repairs alongside substantially higher paintless dent repair ("PDR") margins resulting from the severity and specialized nature of recent storm damage.

Same Store Results

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

For the nine-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

	Nine-Months Ended September 30			
Collision Repair Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	121,495	116,265	5,230	4.5%
Gross profit	61,093	52,093	9,000	17.3%
Gross profit percentage (%)	50.3%	44.8%		5.5 ppts
Same store revenue	101,279	114,450	(13,171)	(11.5)%
Same store gross profit	52,681	51,473	1,208	2.3%
Same store gross profit percentage (%)	52.0%	45.0%		7.0 ppts

Continuing Operations

Revenue increased 4.5% to $121.5 million and gross profit increased 17.3% to $61.1 million driven by revenue from newly acquired collision centres and expanded core collision capacity.

Gross profit percentage increased 5.5 ppts primarily driven by disciplined execution across core collision repairs alongside substantially higher PDR margins resulting from the severity and specialized nature of recent storm damage.

Same Store Results

Trends in the same store gross profit and gross profit percentage are consistent with overall business performance, with the reasons noted above. Same store revenue decreased driven by the decrease in PDR revenue.

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, 2026

The following table summarizes the continuing operations and same store financial metrics for the three-month period ended September 30, 2026 and changes compared to the three-month period ended September 30, 2025.

	Three-Months Ended September 30			
F&I Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	69,093	70,107	(1,014)	(1.4)%
Gross profit	63,359	60,046	3,313	5.5%
Gross profit percentage (%)	91.7%	85.6%		6.1 ppts
F&I gross profit per retail unit average ($)	3,381	3,346	35	1.0%
Same store revenue	68,949	68,480	469	0.7%
Same store gross profit	63,222	58,517	4,705	8.0%
Same store gross profit percentage (%)	91.7%	85.5%		6.2 ppts
Same store F&I gross profit per retail unit average ($)	3,383	3,352	31	0.9%

Continuing Operations

Revenue decreased (1.4)% to $69.1 million compared to the three-month period ended September 30, 2025. Gross profit, gross profit percentage and F&I gross profit per retail unit increased driven by increases in average products sold per deal, and higher retail vehicle volume sold.

Same Store Results

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

For the nine-month period ended September 30, 2026

The following table summarizes the continuing operations and same store financial metrics for the nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

	Nine-Months Ended September 30			
F&I Financial Results	**2026 $**	**2025 $**	**Change $**	**Change %**
Revenue	202,151	204,012	(1,861)	(0.9)%
Gross profit	185,571	182,111	3,460	1.9%
Gross profit percentage (%)	91.8%	89.3%		2.5 ppts
F&I gross profit per retail unit average ($)	3,401	3,317	84	2.5%
Same store revenue	198,702	198,919	(217)	(0.1)%
Same store gross profit	182,329	177,316	5,013	2.8%
Same store gross profit percentage (%)	91.8%	89.1%		2.7 ppts
Same store F&I gross profit per retail unit average ($)	3,411	3,324	87	2.6%

Continuing Operations

Revenue decreased driven mainly by lower total retail vehicles sold, while gross profit increased as compared to the prior period. F&I average gross profit per retail unit and gross profit percentage increased as compared to the nine-month period ended September 30, 2025, driven by an increase in average products sold per deal.

Same Store Results

Revenue, gross profit and gross profit percentage 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 and professional costs comprise a significant portion of administrative costs. Administrative costs can be fixed, variable, or semi-variable in nature.

Facility Lease 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.

For the three-month period ended September 30, 2026

The following table summarizes 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 ended September 30, 2026, and changes compared to the respective for the three-month period ended September 30, 2025.

	Three-Months Ended September 30			
	2026 $	**2025 $**	**Change $**	**Change %**
Employee costs	97,369	102,448	(5,079)	(5.0)%
Administrative costs	50,123	45,341	4,782	10.5%
Facility lease costs	1,396	1,017	379	37.3%
Depreciation and amortization [1]	13,617	13,001	616	4.7%
Operating expenses ("Opex")	162,505	161,807	698	0.4%
Less: Depreciation and amortization [1]	(13,617)	(13,001)	(616)	(4.7)%
Opex before depreciation	148,888	148,806	82	0.1%
Less:				
Acquisition-related and transaction costs	(1,199)	(37)	(1,162)	3,140.5%
Software implementation costs	(343)	(664)	321	(48.3)%
Canadian franchise dealership and corporate restructuring charges	(4,402)	(17,576)	13,174	(75.0)%
Share-based compensation	(1,336)	(4,241)	2,905	(68.5)%
Normalized opex before depreciation	141,608	126,288	15,320	12.1%
Opex before depreciation as a percentage of gross profit (%)	75.7%	79.4%		(3.7) ppts
Normalized opex before depreciation as a percentage of gross profit (%)	72.0%	67.4%		4.6 ppts

[1] *See Section 16 Segmented Operating Results Data for a breakdown of the types of depreciation and amortization.*

Continuing Operations

Operating expenses before depreciation of $148.9 million for the three-month period ended September 30, 2026, was flat compared to the prior period. On a normalized basis, it increased by 12.1% or $15.3 million year-over-year to $141.6 million, of which $4.4 million of restructuring charges was adjusted for.

Normalized operating expenses before depreciation as a percentage of gross profit increased by 4.6 ppts to 72.0% for the three-month period ended September 30, 2026 compared to 67.4% in the three-month period ended September 30, 2025. This is mainly due to setup and upfront costs associated with the expansion of the Collision business, and investments into operational store support teams incurred in the three-month period ended September 30, 2026.

For the nine-month period ended September 30, 2026

The following table summarizes 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 nine-month period ended September 30, 2026 and changes compared to the nine-month period ended September 30, 2025.

	Nine-Months Ended September 30			
	2026 $	**2025 $**	**Change $**	**Change %**
Employee costs	292,695	315,004	(22,309)	(7.1)%
Administrative costs	144,450	149,904	(5,454)	(3.6)%
Facility lease and storage costs	3,219	2,187	1,032	47.2%
Depreciation and amortization [1]	40,131	40,325	(194)	(0.5)%
Operating expenses	480,495	507,420	(26,925)	(5.3)%
Less: Depreciation and amortization [1]	(40,131)	(40,325)	194	0.5%
Operating expenses before depreciation	440,364	467,095	(26,731)	(5.7)%
Less:				
Acquisition-related and transaction costs	(1,424)	(236)	(1,188)	503.4%
Software implementation costs	(810)	(2,370)	1,560	(65.8)%
Canadian franchise dealership and corporate restructuring charges	(12,531)	(39,326)	26,795	(68.1)%
Share-based compensation	(852)	(8,224)	7,372	(89.6)%
Normalized operating expenses before depreciation	424,747	416,939	7,808	1.9%
Opex before depreciation as a percentage of gross profit (%)	76.9%	76.5%		0.4 ppts
Normalized operating expenses before depreciation as a percentage of gross profit	74.2%	68.3%		5.9 ppts

[1] *See Section 16 Segmented Operating Results Data for a breakdown of the types of depreciation and amortization.*

Continuing Operations

Operating expenses before depreciation decreased (5.7)% to $440.4 million for the nine-month period ended September 30, 2026 compared to the prior period. On a normalized basis, it increased by 1.9% or $7.8 million year-over-year to $424.7 million, of which $12.5 million of restructuring charges was adjusted for.

Normalized operating expenses as a percentage of gross profit increased by 5.9 ppts to 74.2% for the first three quarters of 2026 compared to 68.3% in the prior year. This is mainly due to the decrease in gross profit in the period, as our fixed and semi-fixed costs were spread across a lower gross profit base. In addition, there are setup and upfront costs associated with the expansion of the Collision business, and investments into operational store support teams incurred in the third quarter of 2026.

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 $147.0 million in swap contracts initially maturing in 2026 to 2028, subject to extension to 2028 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 22 in the Interim Financial Statements.

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

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2026 $	2025 $	2026 $	2025 $
Finance costs:				
Interest on long-term indebtedness	8,192	8,935	27,241	25,348
Interest on lease liabilities	7,631	7,463	23,168	22,763
Loss on extinguishment of debt	—	—	942	—
Unrealized fair value changes on non-hedging instruments	(6,195)	745	(7,954)	1,866
	9,628	**17,143**	**43,397**	**49,977**
Floorplan financing	8,660	8,871	26,766	28,152
Interest rate swap settlements	429	457	987	851
Other finance costs	621	(501)	1,772	778
	19,338	**25,970**	**72,922**	**79,758**

Floorplan financing expenses decreased by (2.4)% to $8.7 million due to lower used vehicle inventory balances and a reduction in floorplan interest rates, offset by higher new vehicle inventory balances. Interest on long-term indebtedness decreased due to a reduction in revolving facility balance and interest rates offset by 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, 2026, floorplan financing decreased by (4.9)% to $26.8 million compared to the prior period reflecting lower interest rate and lower average 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 and nine-month periods ended September 30:

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2026 $	2025 $	2026 $	2025 $
Current tax expense (recovery)	7,080	(3,245)	11,207	48
Deferred tax expense	3,915	2,042	2,208	8,864
Total income tax expense (recovery)	**10,995**	**(1,203)**	**13,415**	**8,912**
Effective income tax rate	21.5%	29.3%	21.5%	25.7%
Statutory income tax rate	25.5%	25.5%	25.5%	25.5%

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.

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, 2026

The following table summarizes net income, adjusted EBITDA, and adjusted EBITDA margin from continuing operations for the three-month periods ended September 30, 2026:

	Three-Months Ended September 30			
	2026 $	2025 $	Change $	Change %
Net income (loss) for the period	40,262	(2,901)	43,163	1,487.9%
Adjusted EBITDA	48,402	58,091	(9,689)	(16.7)%
Adjusted EBITDA margin	3.9%	4.8%		(0.9) ppts

Net Income (Loss)

Net income for the period increased 1,487.9% to a net income of $40.3 million in the three-month periods ended September 30, 2026 compared to $(2.9) million in the three-month period ended September 30, 2025, as a result of higher gross profits, lower finance costs, higher gain on redemption of liabilities, and unrealized FX gains, partially offset by higher operating expenses, higher impairment of non-financial assets, higher impairment losses on trade and other receivables, and higher income tax expenses.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA decreased (16.7)% to $48.4 million in the three-month periods ended September 30, 2026 compared to the three-month period ended September 30, 2025, primarily driven by higher normalized operating expenses, lower lease and other income, and higher impairment losses on trade and other receivables, partially offset by an increase in gross profit. Adjusted EBITDA margin decreased by (0.9) percentage points ("ppts") to 3.9% for the reasons noted above.

For the nine-month period ended September 30, 2026

The following table summarizes net income, adjusted EBITDA, and adjusted EBITDA margin from continuing operations for the nine-month period ended September 30, 2026:

	Nine-Months Ended September 30			
	2026 $	2025 $	Change $	Change %
Net income for the period	49,051	25,717	23,334	90.7%
Adjusted EBITDA	131,515	165,468	(33,953)	(20.5)%
Adjusted EBITDA margin	3.4%	4.4%		(1.0) ppts

Net Income

Net income increased 90.7% to $49.1 million for the nine-month period ended September 30, 2026 compared to $25.7 million for the nine-month period ended September 30, 2025, as a result of lower operating expenses, higher gain on disposals of assets, lower finance costs, higher gain on redemption of liabilities, and unrealized FX gains, partially offset by lower gross profit, lower lease and other income, higher impairment of non-financial assets, higher impairment losses on trade and other receivables, and higher income tax expenses.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA decreased (20.5)% to $131.5 million in the nine-months ended September 30, 2026, primarily driven by a decline in gross profit and higher normalized operating expenses. Adjusted EBITDA margin decreased by (1.0) ppts to 3.4% for the reasons noted above.

5. ACQUISITIONS, DIVESTITURES, DISCONTINUED OPERATIONS, AND OTHER RECENT DEVELOPMENTS

The following is a list of acquisitions, divestitures, wind-downs, or other recent developments that have occurred since January 1, 2026.

Acquisitions

Modern Autobody

On January 19, 2026, the Company acquired 100% of the shares of Modern Autobody Limited in Edmonton, Alberta. The acquisition supports management's strategic objectives of expanding the Company's collision repair capacity in the Edmonton market and enhances OEM and insurance partner coverage.

Contemporary Coachworks

On June 1, 2026, the Company acquired substantially all of the assets to be used in the operations of Contemporary Coachworks Ltd. ("Contemporary Coachworks") in Calgary, Alberta. The acquisition supports management's strategic objectives of expanding the Company's collision repair capacity in the Calgary market and establishes the Company's first luxury collision repair presence in Calgary.

Mascarin Collision Centre

On June 9, 2026, the Company acquired 100% of the shares of Lakeport Auto Painting Limited ("Mascarin Collision Centre") in Thunder Bay, Ontario. The acquisition supports management's strategic objective of expanding the Company's collision repair capacity in the Thunder Bay market.

ACX Stratford

On June 29, 2026, the Company acquired 100% of the shares of a collision repair business in Stratford, Ontario. The business, formerly operating as Fix Auto Stratford, now operates as ACX Stratford. The acquisition supports management's strategic objective of building regional density in the Ontario market to leverage its operating scale, insurer relationships, dealership referral network and OEM partnerships.

Doug's Place Southgate

On September 1, 2026, the Company acquired 100% of the shares of Doug's Place Too Collision Repair Inc. ("ACX Southgate"), a collision repair business in Edmonton, Alberta. The acquisition supports management's strategic objectives of expanding the Company's collision repair capacity in the Edmonton market and enhances OEM and insurance partner coverage.

Colorworks Autobody Collision Repair Facilities

On October 5, 2026, the Company acquired two Colorworks Autobody collision repair facilities located in Coquitlam and Port Coquitlam, British Columbia, for a provisional purchase price of $5.3 million subject to customary closing conditions. The acquisition supports management's strategic objectives of expanding the Company's collision repair capacity in Metro Vancouver and enhances OEM and insurance partner coverage. At the time the financial statements were authorized for issue, the Company had not yet completed the accounting for the acquisition of the Colorworks Autobody collision repair facilities.

Cochrane Collision Repair Facility

On November 2, 2026, the Company acquired a collision repair facility ("ACX Cochrane") located in Cochrane, Alberta, for a provisional purchase price of $2.5 million subject to customary closing conditions. The acquisition supports management's strategic objective of expanding the Company's collision repair capacity in Alberta. At the time the financial statements were authorized for issue, the Company had not yet completed the accounting for the acquisition of ACX Cochrane.

Divestitures

Sale of Three British Columbia Dealerships

On July 14, 2026, the Company sold substantially all of the operating assets of Island Chevrolet Buick GMC in Duncan, British Columbia, Abbotsford Volkswagen in Abbotsford, British Columbia, and Chilliwack Volkswagen in Chilliwack, British Columbia and associated liabilities, including a property associated with Chilliwack Volkswagen in Chilliwack, British Columbia, for cash consideration of $34.4 million.

Discontinued Operations

The Company's U.S. retail automobile dealerships in its Dealership Operations segment continue to be reported as a discontinued operation for the nine-month period ended September 30, 2026.

On September 30, 2026, the Company closed its U.S. paintless dent repair business, which is included within the Collision Operations segment. The Company's paintless dent repair business in the U.S. has been presented within discontinued operations. The reclassification to discontinued operations has been determined as insignificant and the Company has not revised previously reported financial results.

Divestiture of Toyota of Lincoln Park

On January 26, 2026, the Company sold substantially all of the operating assets of Toyota of Lincoln Park, located in Chicago, Illinois, for cash consideration of $11.7 million plus closing adjustments resulting in a gain of $9.1 million.

Divestiture of Kia of Lincolnwood

On March 23, 2026, the Company sold substantially all of the operating assets of Kia of Lincolnwood, located in Lincolnwood, Illinois, for cash consideration of $15.9 million plus closing adjustments resulting in a gain of $5.3 million.

Divestiture of Hyundai of Lincolnwood

On April 09, 2026, the Company sold substantially all of the operating assets of Hyundai of Lincolnwood, located in Lincolnwood, Illinois, for cash consideration of $3.1 million plus closing adjustments resulting in a gain of $0.9 million.

Divestiture of Toyota of Lincolnwood

On June 22, 2026, the Company sold substantially all of the operating assets of Toyota of Lincolnwood, located in Lincolnwood, Illinois, for cash consideration of $43.4 million plus closing adjustments resulting in a gain of $13.0 million.

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

	Three-Months Ended September 30, 2026			Three-Months Ended September 30, 2025		
	RightRide $	U.S. Dealership and Collision Operations $	Total $	RightRide $	U.S. Dealership Operations $	Total $
Revenue	—	24,900	24,900	—	106,927	106,927
Cost of sales	—	(21,856)	(21,856)	—	(86,783)	(86,783)
Gross profit	—	3,044	3,044	—	20,144	20,144
Operating expenses	(129)	(8,881)	(9,010)	(972)	(21,269)	(22,241)
Operating loss before other income and expenses	(129)	(5,837)	(5,966)	(972)	(1,125)	(2,097)
Lease and other income (losses), net	17	(203)	(186)	3	423	426
(Loss) gain on disposal of dealerships	—	(78)	(78)	—	834	834
Gain (loss) on disposal of assets, net	—	1	1	—	(759)	(759)
Gain on lease terminations	75	10,503	10,578	2,561	11,471	14,032
Write off of leasehold improvements	—	—	—	—	(6,590)	(6,590)
Impairment on trade and other receivables	—	(27)	(27)	—	—	—
Recovery of non-financial assets	—	—	—	—	12,361	12,361
Operating (loss) income	(37)	4,359	4,322	1,592	16,615	18,207
Finance costs	(24)	(472)	(496)	(45)	(3,440)	(3,485)
Finance income	9	—	9	—	—	—
Recycled cumulative foreign currency translation on return of capital	—	—	—	—	4,946	4,946
(Loss) income for the period before taxation from discontinued operations	(52)	3,887	3,835	1,547	18,121	19,668
Income tax recovery	—	(1,049)	(1,049)	—	—	—
Net (loss) income from discontinued operations	(52)	4,936	4,884	1,547	18,121	19,668
Other comprehensive loss						
Exchange differences on translation of discontinued operations	—	(276)	(276)	—	1,719	1,719
Reclassification of cumulative foreign currency translation of discontinued operations	—	—	—		(4,946)	(4,946)
Other comprehensive loss from discontinued operations	—	(276)	(276)	—	(3,227)	(3,227)
Comprehensive (loss) income from discontinued operations	(52)	4,660	4,608	1,547	14,894	16,441

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2026 $	2025 $	2026 $	2025 $
Net cash outflow from operating activities	(9,696)	(23,390)	(17,251)	(20,211)
Net cash inflow from investing activities	1,570	8,473	63,871	7,506
Net cash outflow from financing activities	(134)	(1,376)	(59,348)	(5,246)
Net decrease in cash from discontinued operations	(8,260)	(16,293)	(12,728)	(17,951)

For the three-month period ended September 30, 2026

Revenue, gross profit, and new and used retail units sold decreased largely as a result of the sale of several U.S. stores and the closure of the RightRide business.

New vehicle gross profit decreased driven by decreases in new units sold, partially offset by increases in new vehicle gross profit per retail unit. Used vehicle gross profit decreased driven by both decreases in used vehicle gross profit per unit sold and used retail units sold. Parts and services gross profit decreased driven by lower repair orders, while the reduction in F&I gross profit is driven by lower total retail vehicles sold and lower gross profit per unit sold.

Net income for the period decreased primarily driven by lower gross profits, partially offset by gains on sales of dealerships and disposal of assets, lower operating expenses, lower finance costs, and higher income tax recovery.

Adjusted EBITDA for the period decreased largely as a result of the items noted above.

	Nine-Months Ended September 30, 2026			Nine-Months Ended September 30, 2025		
	RightRide $	U.S. Dealership and Collision Operations $	Total $	RightRide $	U.S. Dealership Operations $	Total $
Revenue	—	144,438	144,438	9,946	410,948	420,894
Cost of sales	—	(120,887)	(120,887)	(9,428)	(340,311)	(349,739)
Gross profit	—	23,551	23,551	518	70,637	71,155
Operating expenses	(332)	(35,624)	(35,956)	(3,153)	(70,085)	(73,238)
Operating (loss) income before other income and expenses	(332)	(12,073)	(12,405)	(2,635)	552	(2,083)
Lease and other (losses) income, net	(19)	(116)	(135)	(424)	517	93
Gain on disposal of dealerships	—	28,364	28,364	—	1,728	1,728
Gain (loss) on disposal of assets, net	—	2,095	2,095	(1,118)	(772)	(1,890)
Gain on lease terminations	690	10,633	11,323	2,561	11,471	14,032
Write off of leasehold improvements	—	—	—	—	(6,590)	(6,590)
Impairment on trade and other receivables	—	(153)	(153)	—	—	—
(Impairment) recovery of non-financial assets	—	—	—	(3,369)	12,361	8,992
Operating income (loss)	339	28,750	29,089	(4,985)	19,267	14,282
Finance costs	(76)	(2,753)	(2,829)	(214)	(12,237)	(12,451)
Finance income	25	—	25	—	—	—
Recycled cumulative foreign currency translation on return of capital	—	—	—	—	4,946	4,946
Income (loss) for the period before taxation from discontinued operations	288	25,997	26,285	(5,199)	11,976	6,777
Income tax expense	—	710	710	—	—	—
Net income (loss) from discontinued operations	288	25,287	25,575	(5,199)	11,976	6,777
Other comprehensive income (loss)						
Exchange differences on translation of discontinued operations	—	3,472	3,472	—	(5,143)	(5,143)
Recycled cumulative foreign currency translation on return of capital	—	—	—	—	(4,946)	(4,946)
Income tax relating to these items	—	—	—	—	(1,226)	(1,226)
Other comprehensive income (loss) from discontinued operations	—	3,472	3,472	—	(11,315)	(11,315)
Comprehensive income (loss) from discontinued operations	288	28,759	29,047	(5,199)	661	(4,538)

For the nine-month period ended September 30, 2026

Revenue, gross profit, and new and used retail units sold decreased largely as a result of the sale of several U.S. stores and the closure of the RightRide business.

New vehicle gross profit decreased driven by decreases in new units sold, partially offset by increases in new vehicle gross profit per retail unit. Used vehicle gross profit decreased driven by decreases in used retail units sold, partially offset by increases in used vehicle gross profit per unit sold. Parts and services gross profit decreased driven by lower repair orders, while the reduction in F&I gross profit is driven by lower total retail vehicles sold and lower gross profit per unit sold.

Net income for the period increased primarily driven by gains on sales of dealerships and disposal of assets, lower operating expenses and lower finance costs, partially offset by lower gross profits and higher income tax expenses.

Adjusted EBITDA for the period decreased largely as a result of the items noted above.

Other Recent Developments

Online C2C F&I Business

On September 25, 2026, the Company purchased the 10% equity interest in 15154871 Canada Inc., a subsidiary of AutoCanada UD LP, that sells finance, insurance, and warranty products to buyers of private owner-sold vehicles on Kijiji's online marketplaces (the "Online C2C F&I Business"), from the non-controlling shareholder for cash consideration of $8.0 million. The Company now holds a 100% ownership interest in 15154871 Canada Inc.

In conjunction with the purchase of the 10% equity interest in the Online C2C F&I Business, the Company exited from the Online C2C F&I Business and the instant cash offer used vehicle acquisition solution on the Kijiji marketplaces.

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, 2026, the Company had a comprehensive income of $78.1 million and cash flows from operations of $80.0 million. The Company is actively managing an increased liquidity risk as a result of the current financial performance.

Given the Company's increased risk, 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, 2026, the Company had total liquidity[8] of $438.4 million comprised of $171.4 million cash and $267.0 million available under the revolving credit facility.

Credit Facilities

On March 27, 2026, the Company obtained consent to increase the Company's maximum permitted Total Net Funded Debt to Bank EBITDA Ratio under the fourth amended and restated syndicated credit facility ("Previous Credit Facility" and "4ARCA") from 4.00:1.00 to 4.50:1.00 for the period from January 1, 2026 to June 30, 2026. This consent to increase the Company's maximum permitted Total Net Funded Debt to Bank EBITDA Ratio was superseded by the amendment to the credit agreement, which included an increase to certain financial covenant thresholds including the Total Net Funded Debt to Bank EBITDA Ratio as discussed below.

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

On April 22, 2026, the Company entered into the fifth amended and restated $1,380 million syndicated credit agreement ("Credit Facility" and "5ARCA") 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 elimination of borrowing base and goodwill-linked revolver structure, updates to the revolver pricing grid, changes to the definition of Bank EBITDA to expand allowable add backs, a reduction in the wholesale inventory floorplan facility from $1,220 million to $1,000 million, and certain financial covenant thresholds were increased. There were no changes to the limits of the revolving credit facility and wholesale leasing facility. Other changes included administrative enhancements and extending the maturity date to November 22, 2028. The Credit Facility agreement can be found on the SEDAR+ website at www.sedarplus.ca.

The following tables summarize the limits, amounts drawn and capacity of the Credit Facility as at September 30, 2026:

Type of Facility	Limit	Drawn	Available Capacity
Revolving credit [1]	375,000	107,982	267,018
Wholesale inventory floorplan and lease financing	1,005,000	624,228	380,772
Total	**1,380,000**	**732,210**	**647,790**

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 and lease facilities as at September 30, 2026:

Lender	Limit	Drawn	Available Capacity
Credit Facility – Wholesale Floorplan and Lease	1,005,000	624,228	380,772
Other Canadian Floorplan Facilities	541,900	381,169	160,731
Other U.S. Floorplan Facility	40,485	31,579	8,906
Total	**1,587,385**	**1,036,976**	**550,409**

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, 2026, 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, 2026 and December 31, 2025 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.

On April 22, 2026, the Company made changes to the definition of Bank EBITDA to expand allowable add backs as part of the executed Credit Facility.

The following table summarizes the financial covenants under the Credit Facility as at September 30, 2026:

Financial Covenants	Requirement		Q3 2026
Senior Net Funded Debt to Bank EBITDA Ratio	Shall not exceed	3.50	0.13
Total Net Funded Debt to Bank EBITDA Ratio	Shall not exceed	5.00	3.40
Fixed Charge Coverage Ratio	Shall not be less than	1.20	2.60

At this time, the Company is acting on strategic decisions to improve performance including accelerating initiatives to improve profitability, completing the sale of dealerships classified as 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.

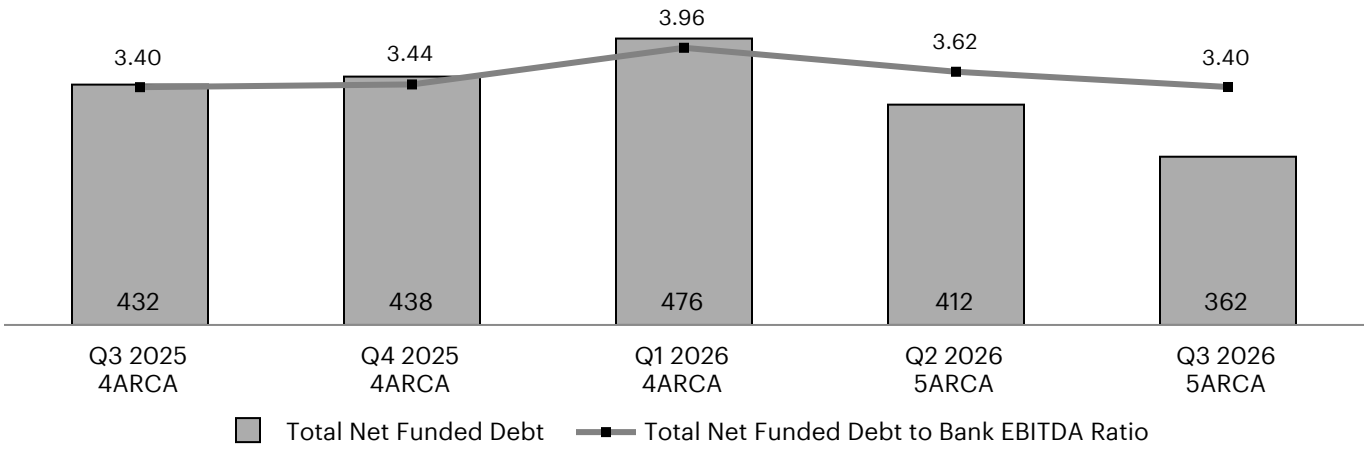
Total Net Funded Debt to Bank EBITDA Ratio Covenant Summary

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") under the Credit Facility and as at December 31, 2025 under the Previous Credit Facility.

Credit Facility	September 30, 2026 $	December 31, 2025 $
Credit Facility, net of unamortized deferred financing costs	107,281	128,711
$350 Million Notes, net of unamortized deferred financing costs	347,874	347,200
Other funded debt according to Credit Facility	38,389	32,458
Total Funded Debt	493,544	508,369
Less: Allowable Cash Netting according to Credit Facility	(131,480)	(70,000)
Total Net Funded Debt	**362,064**	**438,369**

The following illustrates Total Net Funded Debt and Total Net Funded Debt Ratio as at September 30, 2026 under the Credit Facility and the trailing four quarters under the Previous Credit Facility.

Total Net Funded Debt ($Millions) and Total Net Funded Debt Ratio



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 5.02% as at September 30, 2026) 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, 2026, the value of this mortgage, net of unamortized deferred financing costs, was $21.7 million (2025 - $22.6 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, 2026, the value of the mortgages, net of unamortized deferred financing costs, was $15.6 million (2025 - $16.4 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 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 September 30, 2026 and December 31, 2025.

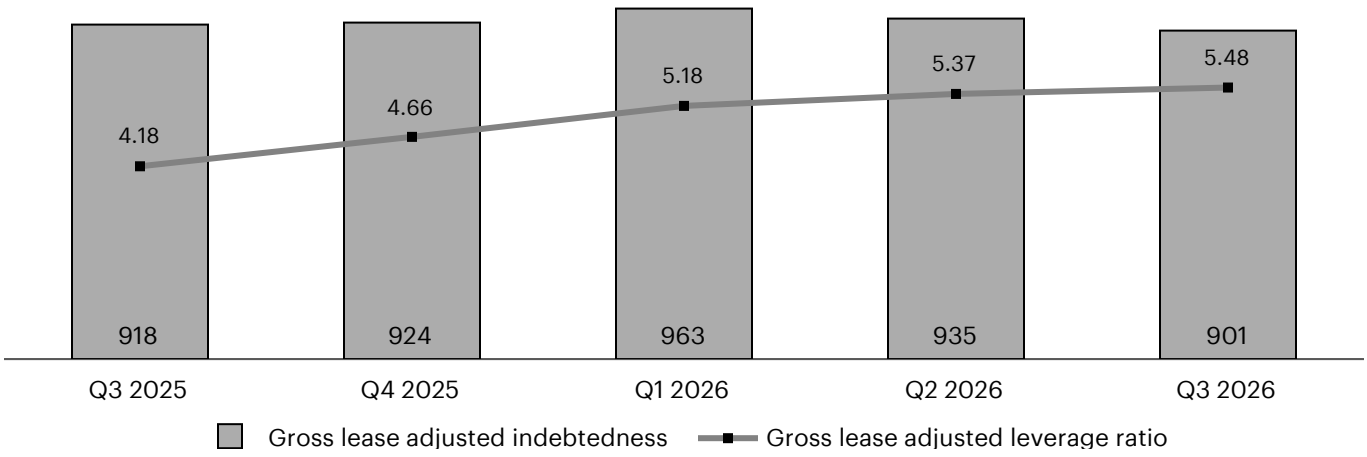
	September 30, 2026 $	December 31, 2025 $
Credit facility, net of unamortized deferred financing costs	107,281	128,711
$350 Million Notes, net of unamortized deferred financing costs	347,874	347,200
Non-recourse mortgages and other debt	37,927	38,798
Total indebtedness	493,082	514,709
Add: Lease liabilities	408,096	409,341
Gross lease adjusted indebtedness	**901,178**	**924,050**
Adjusted EBITDA - trailing twelve months	164,452	198,171
Gross lease adjusted leverage ratio ("Gross Lease Ratio")	**5.48x**	**4.66x**

[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.*

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

Gross Lease Adjusted Indebtedness ($Millions) and Gross Lease Ratio



Summary Cash Flows

The following table summarizes the Company's net increase (decrease) in cash for the three and nine-month periods ended September 30.

	Three-month period ended		Nine-month period ended	
	September 30, 2026 $	**September 30, 2025 $**	**September 30, 2026 $**	**September 30, 2025 $**
Net cash inflow (outflow) from operating	29,657	(24,055)	80,039	14,458
Net cash inflow from investing activities	30,543	43,976	61,615	69,056
Net cash outflow from financing activities	(36,302)	(5,374)	(81,410)	(74,181)
Net increase in cash	23,898	14,547	60,244	9,333

For the three-month period ended September 30, 2026

The increase in cash generated from operating activities includes improvements in non-cash working capital. The increase in cash from investing activities was primarily driven by proceeds on divestiture of dealerships, partially offset by business acquisitions and purchases of property and equipment. The changes in cash used for financing activities was largely due to the repayment of indebtedness, repurchase of common shares under the Normal Course Issuer Bid, and settlement of redemption liabilities.

For the nine-month period ended September 30, 2026

The Company's net increase in cash from continuing operations changed for the reasons noted above.

Capital Expenditures

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, 2026, the Company incurred $12.2 million in capital expenditures primarily related to growth initiatives in collision and OEM mandated reimaging of various dealership properties.

Capital expenditures is reported in aggregate in Note 17 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	
	2026 $	2025 $	2026 $	2025 $
Non-growth capital expenditures	1,348	971	5,529	1,548
Growth capital expenditures	2,363	3,328	6,657	11,370
Total capital expenditures	3,711	4,299	12,186	12,918
Real estate acquisition expenditures	—	(1,636)	1,236	105
Total capital related expenditures	3,711	2,663	13,422	13,023

Capital Commitments

At September 30, 2026, the Company is committed to capital expenditure obligations in the amount of approximately $13.0 million related to dealership reimagings and other renovations with expected completion of these commitments in 2033. 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'.
- On October 6, 2026, Credit Rating and outlook was maintained at 'B+' and 'Stable' respectively.

7. RELATED PARTY TRANSACTIONS

Transactions with related parties

During the three and nine-month periods ended September 30, 2026, there were transactions with key management personnel. 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.

	Three-month period ended		Nine-month period ended	
	2026 $	2025 $	2026 $	2025 $
Administrative and other support and transportation fees	—	338	21	1,318
Vehicle sales to related parties	—	235	—	1,513
Total	—	573	21	2,831

8. OUTSTANDING SHARES

As at September 30, 2026, the Company had 22,570,672 (2025 - 23,098,756) common shares outstanding. Basic and diluted weighted average number of shares outstanding for the three-month period ended September 30, 2026 were 23,052,299 and 24,393,101, respectively. As at November 12, 2026, there were 22,572,002 common shares outstanding.

As at September 30, 2026, the value of the shares held in trust, to hedge equity-based compensation plans, was $1.6 million (2025 - $1.3 million), which was comprised of 69,997 shares (2025 - 51,477 shares).

Normal course issuer bid

On May 13, 2026, in connection with its previously announced normal course issuer bid ("NCIB") to purchase up to 1,177,539 common shares, the Company received approval from the TSX to implement an automatic share purchase plan ("ASPP") with its designated broker. The ASPP will terminate on December 17, 2026, unless earlier terminated in accordance with its terms.

The ASPP is intended to allow for purchases of its common shares during certain pre-determined black-out periods, subject to certain parameters as to price and number of shares. Outside of these pre-determined black-out periods, shares will be repurchased in accordance with management's discretion, subject to applicable law.

AutoCanada's NCIB commenced on December 18, 2025 and will continue until December 17, 2026, when the bid expires, or such earlier date as the Corporation completes its purchases pursuant to the notice of intention filed with the TSX. All purchases of common shares made under the ASPP will be included in determining the number of common shares purchased under the NCIB. Any common shares purchased by the Corporation pursuant to the NCIB will be cancelled.

During the nine-month period ended September 30, 2026, the Company repurchased and cancelled 509,564 common shares (2025 - nil) under its NCIB for cash consideration of $11.4 million (2025 - $nil) which were recorded in share capital. The average share purchase price was $22.55 with prices ranging from $21.69 to $23.00.

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, 2025. 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, 2026, 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 11 of the Company's Annual MD&A for the year ended December 31, 2025.

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 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.

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.

There can be no assurance that the Strategic Review will result in any transaction or specific outcome, nor can there be any assurance regarding the terms, structure or timing of any potential transaction. AutoCanada has not set a definitive timetable for the completion of the Strategic Review and does not intend to make further public announcements or disclosures regarding the process unless and until the Board of Directors approves a specific transaction, determines that the process has concluded, or otherwise determines that public disclosure is required under applicable securities laws.

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:

- Dealership Operations segment: See Section 16 Segmented Operating Results Data for additional information
- Collision Operations segment: See Section 16 Segmented Operating Results Data for additional information
- Consolidated basis: See Section 16 Segmented Operating Results Data for additional information
- Same store basis: See Section 17 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 used for valuation purposes and 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);
- 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);
- 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); and
- Results from disposed business units in Continuing Operations not reflective of the Company's continuing operating performance (adjusted in the period of disposal).

The Company considers this measure meaningful as it reflects the Company's continuing operating performance and it provides improved comparability 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 period and current period new vehicle and demo vehicle inventory divided by current period new and demo vehicle cost of sales, multiplying the total by days in the period.

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 period and current period used vehicle inventory divided by current period used vehicle cost of sales, multiplying the total by days in the period.

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 and nine-month periods ended September 30:

	Three-Months Ended September 30, 2026								
	Continuing Operations			Discontinued Operations			Consolidated		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Period from July 1 to September 30									
Net income (loss) for the period	35,857	4,405	40,262	5,561	(677)	4,884	41,418	3,728	45,146
Income Taxes	11,015	(20)	10,995	(1,049)	—	(1,049)	9,966	(20)	9,946
Depreciation of property and equipment	4,616	863	5,479	121	24	145	4,737	887	5,624
Interest on long-term indebtedness	8,192	—	8,192	—	—	—	8,192	—	8,192
Depreciation of right-of-use asset	7,156	832	7,988	—	—	—	7,156	832	7,988
Amortization of intangible assets	148	2	150	—	—	—	148	2	150
Lease liability interest	6,527	1,104	7,631	117	—	117	6,644	1,104	7,748
Impairment of non-financial assets	1,225	—	1,225	—	—	—	1,225	—	1,225
Gain on redemption liabilities	(17,006)	—	(17,006)	—	—	—	(17,006)	—	(17,006)
Canadian franchise dealership and corporate restructuring charges	4,402	—	4,402	—	—	—	4,402	—	4,402
Unrealized fair value changes on derivative instruments	(6,620)	—	(6,620)	—	—	—	(6,620)	—	(6,620)
Unrealized foreign exchange losses	349	—	349	—	—	—	349	—	349
Software implementation costs	343	—	343	—	—	—	343	—	343
Acquisition related and transaction costs	785	414	1,199	—	—	—	785	414	1,199
Share-based compensation for transformation plan awards	874	—	874	—	—	—	874	—	874
Results from disposed business units in Continuing Operations	4,494	—	4,494	—	—	—	4,494	—	4,494
Gain on disposal of assets	(21,531)	(24)	(21,555)	(10,501)	—	(10,501)	(32,032)	(24)	(32,056)
Adjusted EBITDA	**40,826**	**7,576**	**48,402**	**(5,751)**	**(653)**	**(6,404)**	**35,075**	**6,923**	**41,998**

	Three-Months Ended September 30, 2025								
	Continuing Operations			Discontinued Operations			Consolidated		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Period from July 1 to September 30									
Net income (loss) for the period	(5,586)	2,685	(2,901)	19,668	—	19,668	14,082	2,685	16,767
Income Taxes	(1,203)	—	(1,203)	—	—	—	(1,203)	—	(1,203)
Depreciation of property and equipment	4,307	524	4,831	—	—	—	4,307	524	4,831
Interest on long-term indebtedness	8,935	—	8,935	974	—	974	9,909	—	9,909
Depreciation of right-of-use asset	7,358	606	7,964	48	—	48	7,406	606	8,012
Amortization of intangible assets	206	—	206	—	—	—	206	—	206
Lease liability interest	6,629	834	7,463	738	—	738	7,367	834	8,201
Impairment (recovery) of non-financial assets	6,395	—	6,395	(14,744)	—	(14,744)	(8,349)	—	(8,349)
Loss on redemption liabilities	171	—	171	—	—	—	171	—	171
Canadian franchise dealership and corporate restructuring charges	17,576	—	17,576	—	—	—	17,576	—	17,576
Unrealized fair value changes on derivative instruments	1,642	—	1,642	—	—	—	1,642	—	1,642
Unrealized foreign exchange losses	2,353	—	2,353	—	—	—	2,353	—	2,353
Software implementation costs	664	—	664	—	—	—	664	—	664
Cybersecurity incident costs	277	—	277	—	—	—	277	—	277
Acquisition related and transaction costs	37	—	37	—	—	—	37	—	37
Share-based compensation for transformation plan awards	2,462	—	2,462	—	—	—	2,462	—	2,462
Realized foreign exchange gain on divested dealerships	—	—	—	(4,946)	—	(4,946)	(4,946)	—	(4,946)
Loss (gain) on disposal of assets	1,094	125	1,219	(7,510)	—	(7,510)	(6,416)	125	(6,291)
Adjusted EBITDA	**53,317**	**4,774**	**58,091**	**(5,772)**	**—**	**(5,772)**	**47,545**	**4,774**	**52,319**

	Nine-Months Ended September 30, 2026								
	Continuing Operations			Discontinued Operations			Consolidated		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Period from January 1 to September 30									
Net income (loss) for the period	41,059	7,992	49,051	26,252	(677)	25,575	67,311	7,315	74,626
Income Taxes	13,435	(20)	13,415	710	—	710	14,145	(20)	14,125
Depreciation of property and equipment	13,197	2,270	15,467	121	24	145	13,318	2,294	15,612
Interest on long-term indebtedness	27,241	—	27,241	—	—	—	27,241	—	27,241
Depreciation of right-of-use asset	22,009	2,289	24,298	—	—	—	22,009	2,289	24,298
Amortization of intangible assets	359	7	366	—	—	—	359	7	366
Lease liability interest	20,105	3,063	23,168	837	—	837	20,942	3,063	24,005
Impairment of non-financial assets	1,225	—	1,225	—	—	—	1,225	—	1,225
Gain on redemption liabilities	(18,859)	—	(18,859)	—	—	—	(18,859)	—	(18,859)
Canadian franchise dealership and corporate restructuring charges	12,531	—	12,531	1,372	—	1,372	13,903	—	13,903
Loss on extinguishment of debt	942	—	942	—	—	—	942	—	942
Unrealized fair value changes on derivative instruments	(6,278)	—	(6,278)	—	—	—	(6,278)	—	(6,278)
Unrealized foreign exchange losses	1,789	—	1,789	—	—	—	1,789	—	1,789
Software implementation costs	810	—	810	—	—	—	810	—	810
Cybersecurity incident costs	49	—	49	—	—	—	49	—	49
Acquisition related and transaction costs	815	609	1,424	—	—	—	815	609	1,424
Share-based compensation for transformation plan awards	2,943	—	2,943	—	—	—	2,943	—	2,943
Results from disposed business units in Continuing Operations	4,494	—	4,494	—	—	—	4,494	—	4,494
Gain on disposal of assets	(22,513)	(48)	(22,561)	(41,782)	—	(41,782)	(64,295)	(48)	(64,343)
Adjusted EBITDA	**115,353**	**16,162**	**131,515**	**(12,490)**	**(653)**	**(13,143)**	**102,863**	**15,509**	**118,372**

	Nine-Months Ended September 30, 2025								
	Continuing Operations			Discontinued Operations			Consolidated		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Period from January 1 to September 30									
Net income (loss) for the period	17,119	8,598	25,717	6,777	—	6,777	23,896	8,598	32,494
Income Taxes	8,912	—	8,912	—	—	—	8,912	—	8,912
Depreciation of property and equipment	14,056	1,432	15,488	37	—	37	14,093	1,432	15,525
Interest on long-term indebtedness	25,348	—	25,348	4,151	—	4,151	29,499	—	29,499
Depreciation of right-of-use asset	22,472	1,911	24,383	122	—	122	22,594	1,911	24,505
Amortization of intangible assets	454	—	454	—	—	—	454	—	454
Lease liability interest	20,130	2,633	22,763	2,343	—	2,343	22,473	2,633	25,106
Impairment (recovery) of non-financial assets	6,395	—	6,395	(8,992)	—	(8,992)	(2,597)	—	(2,597)
Gain on redemption liabilities	(970)	—	(970)	—	—	—	(970)	—	(970)
Canadian franchise dealership and corporate restructuring charges	39,326	—	39,326	—	—	—	39,326	—	39,326
Unrealized fair value changes on derivative instruments	620	—	620	—	—	—	620	—	620
Unrealized foreign exchange losses	3,617	—	3,617	—	—	—	3,617	—	3,617
Software implementation costs	2,370	—	2,370	—	—	—	2,370	—	2,370
Cybersecurity incident costs	878	—	878	—	—	—	878	—	878
RightRide restructuring charges	—	—	—	1,683	—	1,683	1,683	—	1,683
Acquisition related and transaction costs	236	—	236	—	—	—	236	—	236
Share-based compensation for transformation plan awards	3,743	—	3,743	—	—	—	3,743	—	3,743
Realized foreign exchange gain on divested dealerships	—	—	—	(4,946)	—	(4,946)	(4,946)	—	(4,946)
Gain on disposal of assets	(13,805)	(7)	(13,812)	(7,274)	—	(7,274)	(21,079)	(7)	(21,086)
Adjusted EBITDA	**150,901**	**14,567**	**165,468**	**(6,099)**	**—**	**(6,099)**	**144,802**	**14,567**	**159,369**

Adjusted EBITDA Margin

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

	Three-Months Ended September 30, 2026			Three-Months Ended September 30, 2025		
	Dealership Operations	**Collision Operations**	**Total**	**Dealership Operations**	**Collision Operations**	**Total**
Adjusted EBITDA	40,826	7,576	48,402	53,317	4,774	58,091
Revenue	1,193,679	45,508	1,239,187	1,163,938	37,519	1,201,457
Adjusted EBITDA Margin	3.4%	16.6%	3.9%	4.6%	12.7%	4.8%

	Nine-Months Ended September 30, 2026			Nine-Months Ended September 30, 2025		
	Dealership Operations	**Collision Operations**	**Total**	**Dealership Operations**	**Collision Operations**	**Total**
Adjusted EBITDA	115,353	16,162	131,515	150,901	14,567	165,468
Revenue	3,725,081	121,495	3,846,576	3,663,491	116,265	3,779,756
Adjusted EBITDA Margin	3.1%	13.3%	3.4%	4.1%	12.5%	4.4%

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 and nine-month periods ended September 30:

	Three-Months Ended September 30, 2026			Three-Months Ended September 30, 2025		
	Dealership Operations	**Collision Operations**	**Total**	**Dealership Operations**	**Collision Operations**	**Total**
Operating expenses before depreciation	131,058	17,830	148,888	136,169	12,637	148,806
Normalizing Items:						
Acquisition-related costs	(785)	(414)	(1,199)	(37)	—	(37)
Software implementation costs	(343)	—	(343)	(664)	—	(664)
Canadian franchise dealership and corporate restructuring charges	(4,402)	—	(4,402)	(17,576)	—	(17,576)
Share-based compensation expense	(1,336)	—	(1,336)	(4,241)	—	(4,241)
Normalized Opex before depreciation	124,192	17,416	141,608	113,651	12,637	126,288
Gross profit	171,630	25,021	196,651	170,077	17,334	187,411
Normalized Opex Before Depreciation as a percentage of gross profit (%)	72.4%	69.6%	72.0%	66.8%	72.9%	67.4%

	Nine-Months Ended September 30, 2026			Nine-Months Ended September 30, 2025		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Operating expenses before depreciation	394,561	45,803	440,364	429,413	37,682	467,095
Normalizing Items:						
Acquisition-related costs	(815)	(609)	(1,424)	(236)	—	(236)
Software implementation costs	(810)	—	(810)	(2,370)	—	(2,370)
Canadian franchise dealership and corporate restructuring charges	(12,531)	—	(12,531)	(39,326)	—	(39,326)
Share-based compensation expense	(852)	—	(852)	(8,224)	—	(8,224)
Normalized Opex before depreciation	379,553	45,194	424,747	379,257	37,682	416,939
Gross profit	511,694	61,093	572,787	558,721	52,093	610,814
Normalized Opex Before Depreciation as a percentage of gross profit (%)	74.2%	74.0%	74.2%	67.9%	72.3%	68.3%

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, 2026 and December 31, 2025:

	September 30, 2026 $	December 31, 2025 $
Credit facility, net of unamortized deferred financing costs	107,281	128,711
$350 Million Notes, net of unamortized deferred financing costs	347,874	347,200
Non-recourse mortgages and other debt	37,927	38,798
Total indebtedness	493,082	514,709
Add: Lease liabilities	408,096	409,341
Gross lease adjusted indebtedness	**901,178**	**924,050**
Adjusted EBITDA - trailing twelve months	164,452	198,171
Gross lease adjusted leverage ratio	**5.48x**	**4.66x**

15. 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 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Income Statement Data								
New vehicles	557,960	635,972	491,253	509,046	550,832	617,508	550,894	574,956
Used vehicles	446,906	537,038	478,873	387,919	417,955	474,165	462,722	440,850
Parts and service	119,720	136,054	119,154	129,814	125,044	137,546	122,813	144,524
Collision repair	45,508	36,376	39,611	35,366	37,519	38,420	40,326	36,262
Finance, insurance and other	69,093	72,994	60,064	54,419	70,107	70,560	63,345	69,245
Revenue	1,239,187	1,418,434	1,188,955	1,116,564	1,201,457	1,338,199	1,240,100	1,265,837
New vehicles	26,962	36,716	32,573	26,713	33,626	40,534	36,419	40,291
Used vehicles	16,345	11,766	1,982	5,076	8,809	25,157	19,423	18,529
Parts and service	64,964	74,032	60,783	69,626	67,596	78,902	66,144	76,843
Collision repair	25,021	17,730	18,342	18,136	17,334	16,561	18,198	17,242
Finance, insurance and other	63,359	66,810	55,402	54,419	60,046	64,213	57,852	63,213
Gross Profit	196,651	207,054	169,082	173,970	187,411	225,367	198,036	216,118
Gross profit percentage	15.9%	14.6%	14.2%	15.6%	15.6%	16.8%	16.0%	17.1%
Operating expenses	162,505	166,260	151,730	150,212	161,807	170,737	174,876	178,675
Operating expenses as a % of gross profit	82.6%	80.3%	89.7%	86.3%	86.3%	75.8%	88.3%	82.7%
Net income (loss)	40,262	12,088	(3,299)	(2,331)	(2,901)	18,911	9,707	9,847
Net income (loss) attributable to AutoCanada shareholders	39,761	11,234	(3,504)	(1,377)	(3,566)	17,389	9,035	10,677
Basic net income (loss) per share attributable to AutoCanada shareholders	1.73	0.49	(0.15)	(0.06)	(0.15)	0.75	0.39	0.46
Diluted net income (loss) per share attributable to AutoCanada shareholders	1.63	0.46	(0.15)	(0.06)	(0.14)	0.72	0.37	0.45
Adjusted EBITDA	48,402	52,149	30,978	32,703	58,091	64,380	42,997	54,379
Operating Data								
New retail vehicles sold	7,948	8,091	6,294	7,028	7,898	8,790	7,665	8,544
Used retail vehicles sold	10,791	11,499	9,934	8,741	10,048	10,452	10,046	10,585
Total retail vehicles sold	18,739	19,590	16,228	15,769	17,946	19,242	17,711	19,129
# of dealerships at period end [1]	64	67	67	67	67	67	68	68
# of same store dealerships [1, 2]	64	67	67	67	66	66	66	66
# of service bays at period end	998	1,079	1,081	1,105	1,116	1,143	1,143	1,151
Total Operations								
Net income (loss) attributable to AutoCanada shareholders	44,645	23,542	4,879	(13,601)	16,102	17,357	(3,824)	(37,452)
Basic net income (loss) per share attributable to AutoCanada shareholders	1.94	1.02	0.21	(0.59)	0.70	0.75	(0.17)	(1.62)
Diluted net income (loss) per share attributable to AutoCanada shareholders	1.83	0.97	0.21	(0.55)	0.66	0.72	(0.16)	(1.57)

[1] *Dealerships is defined as 61 franchised automobile dealerships and 3 independent used dealerships.*
[2] *Refer to Section 17 Same Store Results Data for further information.*

16. SEGMENTED OPERATING RESULTS DATA

Dealership Operations and Collision Operations Segmented Operating Highlights

The Company identified new operating segments as a result of changes to the Company's Chief Operating Decision Maker ("CODM"), advancement in the divestiture of the Company's U.S. retail automobile dealerships, and prioritization of collision centres as a strategically important platform.

The Company's CODM is identified as the Chief Executive Officer and is responsible for allocating resources and assessing the performance of each dealership and each collision centre. The Company will report segmented information by Dealership Operations and Collision Operations. The Dealership Operations reportable operating segment is comprised of retail automobile dealerships and related businesses, which have been aggregated based on their economic similarities. The Collision Operations reportable operating segment is comprised of collision centres and related businesses, which have been aggregated based on their economic similarities.

To conform to the presentation adopted for the current period's operating segments, the following comparatives prior to January 1, 2026 have been reclassified:

- The Company's retail automobile dealerships and related businesses, previously reported in the Canadian Operations segment and the U.S. Operations segment, have been reclassified to the Dealership Operations segment.
- The Company's collision centres and related businesses, previously reported in the Canadian Operations segment and the U.S. Operations segment, have been reclassified to the Collision Operations segment.

The following table shows the segmented operating results for the Company for the three and nine-month periods ended September 30:

	Three-Months Ended September 30, 2026			Three-Months Ended September 30, 2025 Revised[2]		
	Dealership Operations	**Collision Operations**	**Total**	**Dealership Operations**	**Collision Operations**	**Total**
New vehicles	569,177	—	569,177	614,737	—	614,737
Used vehicles	456,096	—	456,096	438,382	—	438,382
Parts and service	123,919	—	123,919	143,443	—	143,443
Collision repair	—	45,723	45,723	—	37,519	37,519
Finance, insurance and other	69,172	—	69,172	74,285	—	74,285
Total revenue	1,218,364	45,723	1,264,087	1,270,847	37,519	1,308,366
New vehicles	27,501	—	27,501	35,405	—	35,405
Used vehicles	16,290	—	16,290	10,980	—	10,980
Parts and service	67,362	—	67,362	79,610	—	79,610
Collision repair	—	25,104	25,104	—	17,334	17,334
Finance, insurance and other	63,438	—	63,438	64,223	—	64,223
Total gross profit	174,591	25,104	199,695	190,218	17,334	207,552
Employee costs	90,655	10,066	100,721	106,359	7,728	114,087
Administrative costs	48,624	7,327	55,951	51,640	4,257	55,897
Facility lease and storage costs	(66)	1,147	1,081	361	652	1,013
Depreciation of right-of-use assets	7,156	832	7,988	7,406	606	8,012
Depreciation of property and equipment	4,737	887	5,624	4,307	524	4,831
Amortization of intangible assets	148	2	150	206	—	206
Total operating expenses	151,254	20,261	171,515	170,279	13,767	184,046
Operating profit before other income	23,337	4,843	28,180	19,939	3,567	23,506

	Three-Months Ended September 30, 2026			2025 Revised[(2)]		
	Dealership Operations	Collision Operations	Total	Dealership Operations	Collision Operations	Total
Operating data						
New retail vehicles sold	8,100	—	8,100	8,988	—	8,988
Used retail vehicles sold	10,945	—	10,945	10,625	—	10,625
Total retail vehicles sold	19,045	—	19,045	19,613	—	19,613
# of dealerships at period end [1]	73	—	73	80	—	80
# of service bays at period end	1,049	—	1,049	1,261	—	1,261

1 Dealerships is defined as 61 Canadian franchised automobile dealerships, 9 U.S. franchised automobile dealerships (2 individual storefronts), and 3 independent used dealerships as at September 30, 2026.

2 Comparative period revised to reflect current period presentation for segmented reporting.

The following table shows the segmented operating results for the Company for the nine-month period ended September 30, 2026 and September 30, 2025.

	Nine-Months Ended September 30, 2026			Nine-Months Ended September 30, 2025		
	Dealership Operations $	**Collision Operations $**	**Total $**	**Dealership Operations $**	**Collision Operations $**	**Total $**
New vehicles	1,755,310	—	1,755,310	1,946,714	—	1,946,714
Used vehicles	1,507,734	—	1,507,734	1,460,640	—	1,460,640
Parts and service	398,607	—	398,607	453,817	—	453,817
Collision repair	—	121,710	121,710	—	116,265	116,265
Finance, insurance and other	207,653	—	207,653	223,212	—	223,212
Total revenue	3,869,304	121,710	3,991,014	4,084,383	116,265	4,200,648
New vehicles	99,205	—	99,205	117,331	—	117,331
Used vehicles	30,664	—	30,664	56,821	—	56,821
Parts and service	214,220	—	214,220	254,412	—	254,412
Collision repair	—	61,176	61,176	—	52,093	52,093
Finance, insurance and other	191,073	—	191,073	201,310	—	201,310
Total gross profit	535,162	61,176	596,338	629,874	52,093	681,967
Employee costs	282,769	27,141	309,910	332,827	23,212	356,039
Administrative costs	147,414	16,501	163,915	168,449	12,688	181,137
Facility lease and storage costs	(521)	2,871	2,350	1,216	1,782	2,998
Depreciation of right-of-use assets	22,009	2,289	24,298	22,594	1,911	24,505
Depreciation of property and equipment	13,318	2,294	15,612	14,093	1,432	15,525
Amortization of intangible assets	359	7	366	454	—	454
Total operating expenses	465,348	51,103	516,451	539,633	41,025	580,658
Operating profit before other income	69,814	10,073	79,887	90,241	11,068	101,309
Operating data						
New retail vehicles sold	23,437	—	23,437	28,219	—	28,219
Used retail vehicles sold	33,185	—	33,185	33,297	—	33,297
Total retail vehicles sold	56,622	—	56,622	61,516	—	61,516
# of dealerships at period end [1]	73	—	73	80	—	80
# of service bays at period end	1,049	—	1,049	1,261	—	1,261

1 Dealerships is defined as 61 Canadian franchised automobile dealerships, 9 U.S. franchised automobile dealerships, and Used Digital Division dealerships (including 3 used vehicle dealerships) as at September 30, 2026.

17. SAME STORE RESULTS DATA

Same store is defined as a franchised automobile dealership, collision centre, and independent used dealership 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 from continuing operations for the three and nine-month periods ended September 30:

	Three-Months Ended September 30		Nine-Months Ended September 30	
	2026 $	2025 $	2026 $	2025 $
New vehicles	556,672	539,695	1,660,493	1,678,073
Used vehicles	445,867	406,041	1,436,541	1,322,290
Parts and service	119,379	121,578	367,968	375,235
Collision repair	36,564	36,229	101,279	114,450
Finance, insurance and other	68,949	68,480	198,702	198,919
Total revenue	1,227,431	1,172,023	3,764,983	3,688,967
New vehicles	27,299	32,519	94,928	106,682
Used vehicles	16,452	8,658	29,811	52,209
Parts and service	64,564	65,675	195,695	206,638
Collision repair	21,107	16,901	52,681	51,473
Finance, insurance and other	63,222	58,517	182,329	177,316
Total gross profit	192,644	182,270	555,444	594,318
New vehicles (%)	4.9%	6.0%	5.7%	6.4%
Used vehicles (%)	3.7%	2.1%	2.1%	3.9%
Parts and service (%)	54.1%	54.0%	53.2%	55.1%
Collision repair (%)	57.7%	46.7%	52.0%	45.0%
Finance, insurance and other (%)	91.7%	85.5%	91.8%	89.1%
Total gross profit percentage (%)	15.7%	15.6%	14.8%	16.1%
New retail vehicles sold (units)	7,925	7,705	21,954	23,646
Used retail vehicles sold (units)	10,761	9,752	31,507	29,705
Total vehicles retailed (units)	18,686	17,457	53,461	53,351
New vehicle gross profit per retail unit	3,369	4,144	4,251	4,431
Used vehicle gross profit per retail unit	1,342	735	642	1,307
F&I gross profit per retail unit average	3,383	3,352	3,411	3,324

For the three-month period ended September 30, 2026

Same store results make up 99.1% of revenue and 98.0% of gross profit in the current quarter.

Revenue increased by 4.7% driven by higher new vehicle 3.1%, used vehicle 9.8%, F&I 0.7%, and Collision repair 0.9%, partially offset by lower parts and service (1.8)%.

Gross profit increased 5.7% driven by increases in used vehicle gross profit 90.0%, collision repair services 24.9%, and F&I gross profit 8.0%, partially offset by decreases in new vehicle gross profit (16.1)%, and parts and service (1.7)%.

New vehicle gross profit declined (16.1)% in the three-month period ended September 30, 2026 compared with the three-month period ended September 30, 2025, driven mainly by higher new retail vehicles sold 2.9% and lower new gross profit per retail unit (18.7)%.

Used vehicle gross profit increased 90.0% in the three-month period ended September 30, 2026 compared with the three-month period ended September 30, 2025, driven mainly by higher used gross profit per retail unit 82.6%, and higher used retail vehicles sold 10.3%.

Parts and service gross profit declined (1.7)% in the three-month period ended September 30, 2026 compared with the three-month period ended September 30, 2025, driven mainly by a lower number of service repair orders[11], and higher labour and material costs.

F&I gross profit increased 8.0% in the three-month period ended September 30, 2026 compared with the three-month period ended September 30, 2025, driven by higher total retail vehicles sold of 7.0% and higher gross profit per retail unit average of 0.9% due to increases in average products sold per deal.

For the nine-month period ended September 30, 2026

Same store results make up 97.9% of revenue and 97.0% of gross profit in the current period.

Revenue increased by 2.1% driven by higher used vehicle revenue 8.6%, partially offset by lower new vehicle (1.0)%, parts and service (1.9)%, F&I (0.1)% and Collision repair (11.5)%.

Gross profit decreased (6.5)% driven by decreases in new vehicle (11.0)%, used vehicle (42.9)%, parts and service (5.3)%, partially offset by increases in collision repair services 2.3%, and F&I 2.8%.

New vehicle gross profit declined (11.0)% in the nine-month period ended September 30, 2026 compared with the nine-month period ended September 30, 2025 driven mainly by lower new retail vehicles sold (7.2)% and lower new gross profit per retail unit (4.1)%.

Used vehicle gross profit decreased (42.9)% in the nine-month period ended September 30, 2026 compared with the nine-month period ended September 30, 2025, driven mainly by lower used gross profit per retail unit (50.8)%, partially offset by higher used retail vehicles sold 6.1%.

Parts and service gross profit decreased (5.3)% in the nine-month period ended September 30, 2026 compared with the nine-month period ended September 30, 2025, driven mainly by a lower number of service repair orders[12], and higher labour and material costs.

F&I gross profit increased 2.8% in the nine-month period ended September 30, 2026 compared with the nine-month period ended September 30, 2025, driven primarily by higher gross profit per retail unit average of 2.6% due to increases in average products sold per deal, and higher total retail vehicles sold by 0.2%.

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

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

	Three-Months Ended September 30			Nine-Months Ended September 30		
	2026	2025	% Change	2026	2025	% Change
British Columbia	92,036	87,527	5.2 %	284,552	249,959	13.8 %
Alberta	339,181	311,568	8.9 %	1,103,479	1,062,702	3.8 %
Saskatchewan	93,208	90,304	3.2 %	276,828	293,969	(5.8) %
Manitoba	115,033	108,437	6.1 %	335,008	330,031	1.5 %
Ontario	379,963	391,808	(3.0) %	1,140,705	1,165,622	(2.1) %
Quebec	169,768	141,710	19.8 %	497,549	470,918	5.7 %
Atlantic	38,242	40,669	(6.0) %	126,862	115,766	9.6 %
Illinois	—	—	— %	—	—	— %
Total revenue	1,227,431	1,172,023	4.7 %	3,764,983	3,688,967	2.1 %
British Columbia	11,717	10,887	7.6%	34,281	33,396	2.7%
Alberta	61,656	54,005	14.2%	164,265	179,650	(8.6)%
Saskatchewan	13,641	13,903	(1.9)%	43,486	48,076	(9.5)%
Manitoba	18,158	16,745	8.4%	50,725	54,470	(6.9)%
Ontario	59,909	59,820	0.1%	176,976	189,196	(6.5)%
Quebec	23,169	21,722	6.7%	70,711	74,296	(4.8)%
Atlantic	4,394	5,188	(15.3)%	15,000	15,234	(1.5)%
Illinois	—	—	— %	—	—	— %
Total gross profit	192,644	182,270	5.7%	555,444	594,318	(6.5)%

18. COUNT OF OPERATIONS

The following table lists the count and same store count for franchised dealerships, independent used dealerships, and collision centres, organized by province and state as of September 30, 2026 from continuing operations and discontinued operations.

Location	Franchised Dealerships	Same Store Franchised Dealerships	Used Vehicle Operations	Same Store Used Vehicle Operations	Collision Centres
Canada	**61**	**61**	**3**	**3**	**38**
Alberta	17	17	—	—	11
Atlantic	2	2	—	—	1
British Columbia	6	6	—	—	2
Manitoba	5	5	1	1	4
Ontario	23	23	2	2	12
Quebec	4	4	—	—	4
Saskatchewan	4	4	—	—	4
U.S.	**9**	**—**	**—**	**—**	**—**
Illinois [1, 2]	9	—	—	—	—
Total	**70**	**61**	**3**	**3**	**38**

1 *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.*

2 *The Company's U.S. franchised dealerships in its Dealership Operations segment and DCCHail Illinois in its Collision Operations segment have been classified and presented as discontinued operations.*



AutoCanada Inc.

200 - 15511 123 Avenue NW
Edmonton, AB • T5V 0C3 www.autocan.ca