STINGRAY®

First Quarter Report

Fiscal 2027

For the three-month period ended June 30, 2026

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BASIS OF PREPARATION AND FORWARD-LOOKING STATEMENTS

The following is the quarterly financial report and Management's Discussion and Analysis ("MD&A") of the results of operations and financial position of Stingray Group Inc., ("Stingray" or "the Corporation"), and should be read in conjunction with the Corporation's unaudited interim consolidated financial statements and accompanying notes for the three-month periods ended June 30, 2026 and 2025, and with the most recent audited consolidated financial statements and MD&A for the year ended March 31, 2026. This MD&A reflects information available to the Corporation as at August 7, 2026. Additional information relating to the Corporation is also available on SEDAR at www.sedar.com. The auditors of the Corporation have not performed a review of the interim financial report for the three-month periods ended June 30, 2026 and 2025.

This MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This forward-looking information includes, but is not limited to, statements with respect to management's expectations regarding the future growth, results of operations, performance and business prospects of the Corporation. This forward-looking information relates to, among other things, our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimations and intentions, and may also include other statements that are predictive in nature, or that depend upon or refer to future events or conditions. Statements with the words "could", "expect", "may", "will", "anticipate", "assume", "intend", "plan", "believes", "estimates", "guidance", "foresee", "continue" and similar expressions are intended to identify statements containing forward-looking information, although not all forward-looking statements included such words. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include but are not limited to the risk factors disclosed in the Annual Information Form for the year ended March 31, 2026 available on SEDAR.

In addition, if any of the assumptions or estimates made by management prove to be incorrect, actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such assumptions include, but are not limited to, the following: our ability to generate sufficient revenue while controlling our costs and expenses; our ability to manage our growth effectively; the absence of material adverse changes in our industry or the global economy; trends in our industry and markets; the absence of any changes in law, administrative policy or regulatory requirements applicable to our business, including any change to our licences with the CRTC; minimal changes to the distribution of the pay audio services by Pay-TV providers in light of recent CRTC policy decisions; our ability to manage risks related to international expansion; our ability to maintain good business relationships with our clients, agents and partners; our ability to expand our sales and distribution infrastructure and our marketing; our ability to develop products and technologies that keep pace with the continuing changes in technology, evolving industry standards, new product introductions by competitors and changing client preferences and requirements; our ability to protect our technology and intellectual property rights; our ability to manage and integrate acquisitions; our ability to retain key personnel; and our ability to raise sufficient debt or equity financing to support our business growth. Accordingly, prospective purchasers are cautioned not to place undue reliance on such statements. All of the forward-looking information in this MD&A is qualified by these cautionary statements. Statements containing forward-looking information contained herein are made only as of the date of this MD&A. The Corporation expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumption underlying them, whether as a result of new information, future events or otherwise, except as required by law.

OVERVIEW

Stingray Group Inc. (TSX: RAY), the world's leading connected streaming media company, delivers the best curated audio and video content to consumers worldwide. As a pioneer in multiplatform streaming and distribution, Stingray's vast digital content portfolio includes thousands of live audio and radio stations, premium music channels, concerts and music documentaries, karaoke products, as well as ambience and wellness channels. Its offering is distributed via connected TVs, smart speakers, mobile, connected cars and retail. Reaching hundreds of millions of consumers every month, Stingray's products offer an unparalleled advertising reach, enabling brands to connect with an engaged audience across the world. Home to globally renowned brands such as TuneIn, Singing Machine, Stingray Karaoke and Qello Concerts, Stingray is powered by a worldwide team of more than 1,000 employees. For more information, visit www.stingray.com.

KEY PERFORMANCE INDICATORS

For the three-month period ended June 30, 2026 ("Q1 2027"):

$158.0 M ▲ 65.2% from Q1 2026 Revenues	**$6.6 M** ▼ 60.7% from Q1 2026 Net income Or $0.10 per share diluted	**$4.8 M** ▼ 74.7% from Q1 2026 Cash flow from operating activities Or $0.07 per diluted share[(1)]
$50.3 M ▲ 49.3% from Q1 2026 Adjusted EBITDA[(1)]	**$27.9 M** ▲ 31.1% from Q1 2026 Adjusted Net income[(1)] Or $0.40 per diluted share[(1)]	**$32.5 M** ▲ 72.8% from Q1 2026 Adjusted free cash flow[(1)] Or $0.47 per diluted share[(1)]

FINANCIAL AND BUSINESS HIGHLIGHTS

Highlights of the first quarter ended June 30, 2026

Compared to the quarter ended June 30, 2025 ("Q1 2026"):

- Revenues increased 65.2% to $158.0 million from $95.6 million;
- Adjusted EBITDA[(1)] increased 49.3% to $50.3 million from $33.7 million. Adjusted EBITDA[(1)] by segment was $42.9 million or 34.1% of revenues for Broadcasting and Commercial Music, $9.4 million or 29.3% of revenues for Radio and $(2.0) million for Corporate;
- Net income was $6.6 million ($0.10 per diluted share) compared to $16.8 million ($0.24 per diluted share);
- Adjusted Net income[(1)] increased 31.1% to $27.9 million ($0.40 per share diluted) from $21.3 million ($0.31 per diluted share
- Cash flow from operating activities was $4.8 million ($0.07 per diluted share) compared to $19.0 million ($0.28 per diluted share);
- Adjusted free cash flow[(1)] was $32.5 million ($0.47 per diluted share) compared to $18.8 million ($0.27 per diluted share);
- Net debt to Pro Forma Adjusted EBITDA[(1)] ratio of 2.53x, compared to 2.24x; and
- 1,116,854 shares repurchased and cancelled for a total of $17.1 million.

Note:

(1) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to "Supplemental Information on Non-IFRS Measures" on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to "Non-IFRS Measures Reconciliations" on page 9 and "Reconciliation of Quarterly Non-IFRS Measures" on page 19.

Additional business highlights for the first quarter and subsequent events:

- On August 7, 2026, the Corporation declared a dividend of $0.085 per subordinate voting share, variable subordinate voting share and multiple voting share. The dividend will be payable on or around September 14, 2026, to shareholders on record as of August 31, 2026.
- On July 29, 2026, the Corporation announced the launch of the Just For Laughs Stand-up channel on Samsung TV Plus in Australia and New Zealand,
- On July 27, 2026, the Corporation announced that Stingray Radio completed its acquisition of CHUP-FM (C97.7) in Calgary from Rawlco Radio Ltd. The acquisition was first announced in November 2025 and received approval from the Canadian Radio-television and Telecommunications Commission (CRTC) in June 2026.
- On July 15, 2026, the Corporation has partnered with Telly to bring Stingray's karaoke and music apps to the industry's first 55-inch 4K dual-screen smart TV. Through the partnership, Stingray Karaoke and Stingray Streams are now available for free on Telly in the United States, giving users entirely new ways to transform the biggest screen in the home into an interactive entertainment experience.
- On July 15, 2026, the Corporation announced that TuneIn will be integrated into Bragi's Audio Apps Space. Through a new partnership, TuneIn will expand its availability across Bragi's growing ecosystem of more than 20 million smart headphones, delivering a smarter, more intuitive way for listeners to access live radio, sports, news, music, and podcasts.
- On June 25, 2026, the Corporation announced the launch of a new pop-up music channel dedicated to the world's biggest sport. Running from June 1 through July 31, 2026, with launch dates varying by platform, Stingray Soccer Anthems is the ultimate destination for the world's most iconic stadium songs, global hits, and fan-fueled chants that define the spirit of the game.
- On June 23, 2026, the Corporation announced a five-year contract renewal with National Bank of Canada. Extending through 2031, this expanded partnership ensures Stingray Business will continue delivering its premier background music solutions while breaking new ground by taking over the bank's in-branch digital signage operations. Under the renewed agreement, Stingray Business becomes National Bank's digital signage partner, handling procurement, installation, and ongoing maintenance at branches across Canada and at its Natbank locations in Florida.
- On June 22, 2026, the Corporation announced that its commercial division, Stingray Business, has partnered with BMO to deliver a series of high-impact physical and digital fan activations celebrating the global soccer tournament. Running from June 11 to July 19, 2026, the city-spanning campaign transforms key landmarks in Toronto and Vancouver into interactive, fan-first celebration hubs.
- On June 11, 2026, the Corporation announced the launch of a comprehensive suite of FAST channels on Vesta Stream, a premier OTT streaming platform featuring a premium content library from major studios. This partnership brings Stingray's curated audio and video channels to Vesta Stream's audience in the US and Canada.
- On June 2, 2026, the Corporation announced that it has received an exemption to treat Stingray's subordinate voting shares and variable subordinate voting shares as a single class for certain purposes, including for applicable take-over bid and early warning reporting requirements under Canadian securities laws. Stingray applied for the exemption, which is effective immediately, to facilitate investment in its variable subordinate voting shares by non-Canadians.
- On June 2, 2026, the Corporation announced the premiere launch of its newest channel, Stingray Hooked, now available to audiences in the United States on The Roku Channel. This addition marks the very first time the anticipated channel has been introduced to viewers.
- On May 7, 2026, the Corporation announced that ABC News is launching the "20/20 True Crime" channel on TuneIn, bringing together award-winning podcasts, investigative storytelling and cases from "20/20," the iconic news magazine, in one place.
- On April 29, 2026, the Corporation announced the global launch of Just For Laughs Radio on TuneIn, a new audio channel created in partnership with Just For Laughs, the world's leading comedy brand. The channel offers an audio feed of sketches and stand-up to make any day funnier.

- On April 8, 2026, the Corporation announced a groundbreaking partnership with Anuvu – a global provider of highspeed connectivity and entertainment solutions for mobility markets – to bring Stingray's curated audio and video offering to cruise passengers worldwide. Under the agreement, Anuvu will serve as the official distribution partner for Stingray's content across the global cruise industry, marking one of the first fully licenced deployments of streaming audio and video content at scale in the cruise sector.
- On April 2, 2026, the Corporation announced a partnership with OrkaTV, the new free streaming platform bringing curated live and on-demand television to U.S. audiences. This collaboration will bring five video channels and twelve audio channels to the OrkaTV platform, catering to a wide range of tastes and preferences.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

	3 months					
	June 30, 2026 Q1 2027		June 30, 2025 Q1 2026		March 31, 2026 Q4 2026	
(in thousands of Canadian dollars, except per share amounts)	$	% of revenues	$	% of revenues	$	% of revenues
Revenues	158,022	100.0 %	95,637	100.0 %	124,024	100.0 %
Operating expenses	111,406	70.6 %	65,843	68.8 %	86,931	70.0 %
Depreciation, amortization and write off	15,680	9.9 %	7,522	7.9 %	15,723	12.7 %
Net finance expense (income)(1)	11,728	7.4 %	(2,754)	(2.9) %	10,617	8.6 %
Change in fair value of investments	(8)	– %	37	– %	(12)	– %
Impairment of goodwill and broadcast licenses	–	– %	–	– %	64,696	52.1 %
Share of results of investments in associates	(155)	(0.1) %	300	0.3 %	195	0.2 %
Loss (gain) on disposals	(8)	– %	499	0.5 %	453	0.4 %
Other income	–	– %	–	– %	–	– %
Acquisition, legal, restructuring and other expenses	11,567	7.3 %	1,515	1.7 %	17,281	13.9 %
Income (loss) before income taxes	7,812	4.9 %	22,675	23.7 %	(71,860)	(57.9) %
Income taxes	1,222	0.7 %	5,892	6.2 %	(7,236)	(5.8) %
Net income (loss)	6,590	4.2 %	16,783	17.5 %	(64,624)	(52.1) %
Adjusted EBITDA(2)	50,252	31.8 %	33,656	35.2 %	42,491	34.3 %
Adjusted Net income(2)	27,947	17.7 %	21,311	22.3 %	20,811	16.8 %
Cash flow from operating activities	4,801	3.0 %	18,987	19.9 %	35,225	28.4 %
Adjusted free cash flow(2)	32,479	20.6 %	18,797	19.7 %	20,086	16.2 %
Net debt(2)	547,587	–	325,921	–	503,359	–
Net debt to Pro Forma Adjusted EBITDA(2)	2.53x	–	2.24x	–	2.38x	–
Net income per share basic	0.10	–	0.25	–	(0.95)	–
Net income per share diluted	0.10	–	0.24	–	(0.95)	–
Adjusted Net income per basic share(2)	0.41	–	0.31	–	0.31	–
Adjusted Net income per diluted share(2)	0.40	–	0.31	–	0.31	–
Cash flow from operating activities per share basic and diluted(2)	0.07	–	0.28	–	0.52	–
Adjusted free cashflow per share basic(2)	0.48	–	0.28	–	0.30	–
Adjusted free cashflow per share diluted(2)	0.47	–	0.27	–	0.30	–
Revenues by segment						
Broadcasting and Commercial Music	126,014	79.7 %	61,420	64.2 %	94,966	76.6 %
Radio	32,008	20.3 %	34,217	35.8 %	29,058	23.4 %
Revenues	158,022	100.0 %	95,637	100.0 %	124,024	100.0 %
Revenues by geography						
Canada	48,693	30.8 %	49,535	51.8 %	44,221	35.7 %
United States	98,416	62.3 %	35,153	36.8 %	68,673	55.3 %
Other Countries	10,913	6.9 %	10,949	11.4 %	11,130	9.0 %
Revenues	158,022	100.0 %	95,637	100.0 %	124,024	100.0 %

Notes:
(1) Interest paid during the Q1 2027 was $7.8 million (Q1 2026; $5.0 million and Q4 2026; $8.5 million)
(2) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

SUPPLEMENTAL INFORMATION ON NON-IFRS MEASURES

The Corporation uses non-IFRS measures and ratios to provide investors with supplemental metrics to assess and measure its operating performance and financial position, as applicable, from one period to the next. The Corporation believes that those measures are important supplemental metrics because they eliminate items that have less bearing on its core business performance and could potentially distort the analysis of trends in its performance and financial position. The Corporation also uses non-IFRS measures to facilitate financial performance comparisons from period to period, to prepare annual budgets and forecasts and to determine components of management compensation. The Corporation believes these non-GAAP financial measures, in addition to the financial measures prepared in accordance with IFRS, enable investors to evaluate the Corporation's results, underlying performance and future prospects in a manner similar to management.

Each of the below non-IFRS financial measures is not an earnings or cash flow measure recognized by International Financial Reporting Standards ("IFRS") and does not have a standardized meaning prescribed by IFRS. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned that non-IFRS financial measures should not be construed as an alternative to net income determined in accordance with IFRS as indicators of our performance or to cash flows from operating activities as measures of liquidity and cash flows.

Adjusted EBITDA

The Corporation believes that Adjusted EBITDA provides investors with useful information because it is a common industry measure and it is also a key metric of the Corporation's financial performance without the variation caused by the impacts of the elements itemized below. Further, it provides an indication of the Corporation's ability to seize growth opportunities in a cost-effective manner as well as finance its ongoing operations and service its long-term debt. Adjusted EBITDA is defined as earnings before Net finance expense (income), income taxes, depreciation, amortization, share-based compensation, performance and deferred share unit expense, change in fair value of investments, impairment of goodwill, share of results of investments in associates, loss (gain) on disposal of an investment, other income and acquisition, legal, restructuring and other expenses. The Corporation believes that Adjusted EBITDA is an important measure when analyzing its profitability without being influenced by financing decisions, non-cash items and income tax strategies. The Corporation also presents such non-IFRS measure because it believes such non-IFRS measure is frequently used by securities analysts, investors and other interested parties as measures of financial performance.

Adjusted EBITDA margin

Adjusted EBITDA margin ratio is a non-IFRS ratio used by management to analyze the profitability of the Corporation and facilitate period-to-period comparisons. This ratio is calculated by dividing the amount of Adjusted EBITDA for a given period by the amount of revenue for the same period. The Corporation believes that Adjusted EBITDA margin is an important measure when analyzing its profitability without being influenced by financing decisions, non-cash items and income tax strategies. The Corporation also presents such non-IFRS ratio because it believes such non-IFRS ratio is frequently used by securities analysts, investors and other interested parties as measures of financial performance.

Adjusted free cash flow

Adjusted free cash flow is a non-IFRS measure used by management to assess the amount of cash generated after accounting for capital expenditures and cash outflows that support our operations. It is a useful measure because it demonstrates cash available to make business acquisitions, pay dividends and reduce debt. Furthermore, this non-IFRS measure is a useful indicator of the Corporation's financial strength and liquidity. Adjusted free cash flow is calculated by taking the net cash generated from our operating activities, subtracting capital expenditures, interest paid, repayment of lease liabilities, net change in non-cash operating working capital items and unrealized losses or gains on foreign exchange, and excluding acquisition, legal, restructuring and other expenses. Refer to section "Non-IFRS measures reconciliations" of this MD&A for a reconciliation of this measure to the most directly comparable measure under IFRS.

Adjusted free cash flow per share

Adjusted free cash flow per share is calculated by dividing the amount of Adjusted free cash flow for a given period by the weighted average number of basic shares or diluted shares. This non-IFRS measure is useful because it provides an indication of the Corporation's financial strength and liquidity on a per share basis and facilitates the comparison across reporting periods.

Adjusted Net income

Adjusted Net income is a non-IFRS measure used by management to assess performance of the Corporation as it provides meaningful performance results and facilitates period-to-period comparisons. The Corporation believes Adjusted Net income is useful to investors because it helps identify underlying trends in our business that could otherwise be masked by certain write-offs, charges, income or recoveries that can vary from period to period. The Corporation believes that Adjusted Net income is an important measure as it shows stable results which allows users of the financial statements to better assess the trend in the profitability of the business. It is calculated by excluding from the Net income unrealized gains or losses on derivative financial instruments, amortization from intangible assets, gains or losses from the change in fair value of investments, share-based compensation, performance and deferred share unit expense, impairment of goodwill, share of results of investments in associates, loss (gain) on disposal of an investment, other income and acquisition, legal, restructuring and other expenses, as well as the tax impact of these adjustments. Refer to section "Non-IFRS measures reconciliations" of this MD&A for a reconciliation of this measure to the most directly comparable measure under IFRS.

Adjusted Net income per share

Adjusted Net income per share is a non-IFRS ratio used by management to assess financial performance results of the Corporation on a per share basis and because the Corporation believes it facilitates period-to-period comparisons. Adjusted Net income per share is calculated by dividing the amount of Adjusted Net Income for a given period by the weighted average number of basic shares or diluted shares.

LTM Adjusted EBITDA

Last twelve months (LTM) Adjusted EBITDA is a non-IFRS measure representing the Adjusted EBITDA of a given quarterly period, plus the Adjusted EBITDA of the three quarters immediately preceding such referenced period. Management believes that LTM Adjusted EBITDA is a useful measure to evaluate the Corporation's financial performance during the immediately preceding twelve-month time period.

Pro Forma Adjusted EBITDA

Pro Forma Adjusted EBITDA is a non-IFRS measure representing LTM Adjusted EBITDA adjusted to include Adjusted EBITDA from acquisitions for the months prior to such acquisitions, as well as estimated revenue and cost saving synergies from such acquisitions. Furthermore, Pro Forma Adjusted EBITDA includes the impact on a 12-month basis of these significant cost efficiencies, restructuring measures, and new sales hires in the fastest growing divisions. Management believes that Pro Forma Adjusted EBITDA provides investors with useful financial metrics to assess and evaluate the Corporation's financial performance from period-to-period by adjusting for the impact of acquisitions and cost saving initiatives assuming they occurred at the beginning of the fiscal year, as well as certain events that are otherwise non-recurring. The Corporation also presents such non-IFRS measure because it believes such non-IFRS measure is frequently used by securities analysts, investors and other interested parties as a measure of financial performance.

Adjustments to arrive to Pro Forma Adjusted EBITDA are based on estimates and assumptions made by management that are inherently uncertain, although considered reasonable by management, and subject to significant business, economic and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond our control. Adjusted EBITDA from acquisitions for the months prior to such acquisitions are based on the internal books and records available to management and has been determined using the definition used by the Corporation. The amounts exclude certain non-recurring charges that have been or will be incurred in connection with such acquisitions, including professional fees to complete the acquisitions. The cost efficiency and restructuring measures are based on certain estimates and assumptions and should not be regarded as a representation by the Corporation or any other person that the Corporation will achieve such results. Pro Forma Adjusted EBITDA is presented for informational purposes only and does not purport to represent the Corporation's results had the acquisitions been made by the Corporation at the beginning of the period presented nor is such measure meant to project the results for any future date or period. As a result, readers should exercise caution in interpreting this financial measure and should not place undue reliance thereon.

Net debt

Net debt is a non-IFRS measure calculated as the Corporation's credit facility, including the current portion of credit facility, and subordinated debt less the Corporation's cash and cash equivalents. It is used by management to monitor the amount of debt at a particular date after taking into account cash and cash equivalents and as an indicator of the Corporation's overall financial position.

Net debt to Pro Forma Adjusted EBITDA ratio

Net debt to Pro Forma Adjusted EBITDA is a non-IFRS ratio calculated as Net debt divided by Pro Forma Adjusted EBITDA. The Corporation believes that Net debt to Pro Forma Adjusted EBITDA is an important measure when analyzing the Corporation's debt repayment capacity on an annualized basis, taking into consideration the annualized Adjusted EBITDA, synergies of acquisitions and permanent cost-saving initiatives made during the last twelve months.

NON-IFRS MEASURES RECONCILIATIONS

Adjusted EBITDA, Pro Forma Adjusted EBITDA, LTM Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income, Adjusted Net income per share, Adjusted free cash flow, Adjusted free cash flow per share, Net debt and Net debt to Pro Forma Adjusted EBITDA ratio are non-IFRS measures.

The following tables show the reconciliation of Net income to Adjusted EBITDA, to Adjusted Net income, LTM Adjusted EBITDA and to Pro Forma Adjusted EBITDA:

	3 months		
(in thousands of Canadian dollars)	June 30, 2026 **Q1 2027**	June 30, 2025 **Q1 2026**	March 31, 2026 **Q4 2026**
Net income	**6,590**	**16,783**	**(64,624)**
Impairment of goodwill and broadcast licences	–	–	64,696
Net finance expense (income)	11,728	(2,754)	10,617
Change in fair value of investments	(8)	37	(12)
Income taxes	1,222	5,892	(7,236)
Depreciation and write-off of property and equipment	1,773	1,816	2,238
Depreciation of right-of-use assets	1,361	1,148	1,332
Amortization of intangible assets	12,546	4,558	12,153
Share-based compensation	289	(270)	134
Performance and deferred share unit expense	3,347	4,132	5,264
Share of results of investments in associates	(155)	300	195
Loss (gain) on disposals	(8)	499	453
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Adjusted EBITDA	**50,252**	**33,656**	**42,491**
Adjusted EBITDA margin	**31.8%**	**35.2%**	**30.8%**
Net income	**6,590**	**16,783**	**(64,624)**
Adjusted for:			
Impairment of goodwill and broadcast licences	–	–	64,696
Unrealized loss (gain) on derivative instruments	1,383	(4,535)	329
Amortization of intangible assets	12,546	4,558	12,153
Change in fair value of investments	(8)	37	(12)
Share-based compensation	289	(270)	134
Performance and deferred share unit expense	3,347	4,132	5,264
Share of results of investments in associates	(155)	300	195
Loss (gain) on disposals	(8)	499	453
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Income taxes related to above noted adjustments	(7,604)	(1,708)	(15,058)
Adjusted Net income	**27,947**	**21,311**	**20,811**
Average number of shares outstanding (diluted)	69,056	68,758	68,048
Adjusted Net income per diluted share	**0.40**	**0.31**	**0.31**

(in thousands of Canadian dollars)	**June 30, 2026**	**June 30, 2025**	**March 31, 2026**
LTM Adjusted EBITDA	**176,782**	**144,785**	**160,186**
Permanent cost-saving initiatives	889	773	940
Cost synergies from the acquisition of TuneIn	7,957	–	9,813
Adjusted EBITDA for the months prior to the business acquisitions which are not already reflected in the results	30,811	–	40,613
Pro Forma Adjusted EBITDA	**216,439**	**145,558**	**211,552**

The following table shows the reconciliation of Cash flow from operating activities to Adjusted free cash flow:

	3 months		
	June 30, 2026	June 30, 2025	March 31, 2026
(in thousands of Canadian dollars)	**Q1 2027**	**Q1 2026**	**Q4 2026**
Cash flow from operating activities	**4,801**	**18,987**	**35,225**
Add / Less :			
Acquisition of property and equipment	(1,519)	(2,153)	(1,939)
Acquisition of intangible assets other than internally developed intangible assets	(390)	(336)	(472)
Addition to internally developed intangible assets	(3,017)	(1,394)	(2,941)
Interest paid	(7,813)	(4,955)	(8,490)
Repayment of lease liabilities	(1,242)	(867)	(1,181)
Net change in non-cash operating working capital items	28,304	9,755	(17,880)
Unrealized loss (gain) on foreign exchange	1,788	(1,755)	483
Acquisition, legal, restructuring and other expenses	11,567	1,515	17,281
Adjusted free cash flow	**32,479**	**18,797**	**20,086**

The following table shows the calculation of Net debt and Net debt to Pro Forma Adjusted EBITDA ratio:

(in thousands of Canadian dollars)	**June 30, 2026**	**June 30, 2025**	**March 31, 2026**
Credit facility	569,475	337,416	524,106
Subordinated debt	–	–	–
Cash and cash equivalents	(21,888)	(11,495)	(20,747)
Net debt	**547,587**	**325,921**	**503,359**
Net debt to Pro Forma Adjusted EBITDA	**2.53**	**2.24**	**2.38**

FINANCIAL RESULTS FOR THE PERIODS ENDED JUNE 30, 2026 AND 2025

CONSOLIDATED PERFORMANCE

Revenues

Revenues are detailed as follows:

	3 months		
(in thousands of Canadian dollars)	Q1 2027	Q1 2026	% Change
Revenues by geography			
Canada	48,693	49,535	(1.7)
United States	98,416	35,153	180.0
Other Countries	10,913	10,949	(0.3)
Revenues	158,022	95,637	65.2

Global

Revenues in Q1 2027 increased $62.4 million or 65.2% to $158.0 million, from $95.6 million for Q1 2026. The increase was substantially driven by higher advertising revenue resulting from the acquisition of TuneIn, as well as an increase in FAST channel revenue.

Canada

Revenues in Canada in Q1 2027 decreased $0.8 million or 1.7% to $48.7 million, from $49.5 million for Q1 2026. The decrease was primarily driven by lower revenues in the Radio segment.

United States

Revenues in the United States in Q1 2027 increased $63.2 million or 180.0% to $98.4 million, from $35.2 million for Q1 2026. The increase was substantially driven by higher advertising revenue resulting from the acquisition of TuneIn, alongside increases in FAST channel revenue and equipment and installation sales related to digital signage and the acquisition of The Singing Machine.

Other Countries

Revenues in Other countries in Q1 2027 remained stable at $10.9 million. An increase in FAST channel revenue was largely offset by a decline in subscription revenue.

Operating expenses

Operating expenses in Q1 2027 increased $45.6 million or 69.2% to $111.4 million, from $65.8 million for Q1 2026. The increase was mainly due to higher cost of sales and variable expenses associated with the acquisition of TuneIn. The remaining increase was mainly attributable to higher cost of sales associated with overall revenue growth in the Broadcast and Commercial Music segment.

Adjusted EBITDA(1)

Adjusted EBITDA in Q1 2027 increased $16.6 million or 49.3% to $50.3 million from $33.7 million for Q1 2026. Adjusted EBITDA margin was 31.8% compared to 35.2% for Q1 2026. The increase of Adjusted EBITDA was mainly attributable to the acquisition of TuneIn. The decrease in Adjusted EBITDA margin was primarily driven by a lower gross margin associated with the acquisitions of TuneIn and The Singing Machine, combined with a shift in product mix.

Depreciation, amortization and write offs

Broadcast and Commercial Music

Depreciation, amortization and write offs in Q1 2027 increased $8.2 million or 141.9% to $14.0 million from $5.8 million for Q1 2026. The increase was primarily due to more intangible assets to amortize resulting from the acquisition of TuneIn.

Radio

Depreciation, amortization and write offs in Q1 2027 remained relatively stable at $1.7 million, from $1.8 million for Q1 2026.

Net finance expense (income)

Net finance expense for Q1 2027 was $11.7 million, compared to Net finance income of $2.8 million for Q1 2026. This variance was primarily driven by an unrealized loss on the fair value of derivative financial instruments and a foreign exchange loss in the current quarter, compared to gains on both items in the prior year. It was further impacted by higher interest expense and the decrease in fair value of contingent considerations recorded in the comparative period.

Note:

(1) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to "Supplemental Information on Non-IFRS Measures" on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to "Non-IFRS Measures Reconciliations" on page 9 and "Reconciliation of Quarterly Non-IFRS Measures" on page 19.

Acquisition, legal, restructuring and other expenses

	3 months		
(in thousands of Canadian dollars)	Q1 2027	Q1 2026	Change $
Broadcast and Commercial Music			
Acquisition	9,427	311	9,116
Legal	643	69	574
Restructuring and other	1,039	337	702
Radio			
Restructuring and other	458	798	(340)
Acquisition, legal, restructuring and other expenses	11,567	1,515	10,052

The increase in acquisition, legal, restructuring and other expenses in Q1 2027 compared to Q1 2026 was mainly due to higher transaction costs in the Broadcast and Commercial Music segment in connection with the acquisition of TuneIn.

Income taxes

The income tax expense recognized in comprehensive income was $1.2 million for Q1 2027 compared to $5.9 million for Q1 2026. The effective tax rate for Q1 2027 was 15.7% compared to 26.0% for Q1 2026. The decrease in the effective tax rate was primarily due to a variance in permanent differences.

Net income and Net income per share

Net income in Q1 2027 was $6.6 million ($0.10 per diluted share) compared to $16.8 million ($0.24 per share diluted) for Q1 2026. The decrease was primarily driven by higher acquisition costs, increased amortization of intangible assets and an unrealized loss on the fair value of derivative financial instruments compared to a gain in the prior year. These factors were partially offset by higher operating results.

Adjusted Net income(1) and Adjusted Net income per share(1)

Adjusted Net income in Q1 2027 was $27.9 million ($0.40 per diluted share), compared to $21.3 million ($0.31 per share diluted) for Q1 2026. The increase was primarily driven by higher operating results, partially offset by unfavorable year-over-year variances in both foreign exchange and the fair value of derivative financial instruments, as well as higher interest expense.

Note:

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BUSINESS SEGMENT PERFORMANCE

BROADCASTING AND COMMERCIAL MUSIC

(in thousands of Canadian dollars)	3 months Q1 2027	Q1 2026	% Change
Revenues	126,014	61,420	105.2
Operating expenses	83,874	37,461	123.9
Adjust:			
Performance share unit expense	(786)	(474)	65.8
Adjusted EBITDA[(1)]	**42,926**	**24,433**	**75.7**
Adjusted EBITDA margin[(1)]	**34.1%**	**39.8%**	**(14.4)**

Revenues

In Q1 2027, Broadcasting and Commercial Music revenues increased $64.6 million or 105.2% to $126.0 million, from $61.4 million for Q1 2026. The increase was substantially driven by higher advertising revenue resulting from the acquisition of TuneIn, and by increases in FAST channel revenue and equipment and installation sales related to digital signage.

Adjusted EBITDA[(1)]

In Q1 2027, Broadcasting and Commercial Music Adjusted EBITDA increased $18.5 million or 75.7% to $42.9 million from $24.4 million for Q1 2026. The increase was largely driven by the contribution from the acquisition of TuneIn.

Note:

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RADIO

(in thousands of Canadian dollars)	3 months Q1 2027	Q1 2026	% Change
Revenues	32,008	34,217	(6.5)
Operating expenses	22,914	23,402	(2.1)
Adjust:			
Performance share unit expense	(290)	(224)	29.5
Adjusted EBITDA(1)	**9,384**	**11,039**	**(15.0)**
Adjusted EBITDA margin(1)	**29.3%**	**32.3%**	**(9.1)**

Revenues

Radio revenues are derived from the sale of advertising airtime, which is subject to the seasonal fluctuations of the Canadian radio industry. Accordingly, the third quarter results tend to be the strongest.

In Q1 2027, Radio revenues decreased $2.2 million or 6.5% to $32.0 million from $34.2 million for Q1 2026. The decrease was mainly driven by lower local and national airtime sales, partially offset by growth in digital sales.

Adjusted EBITDA(1)

In Q1 2027, Radio Adjusted EBITDA decreased $1.6 million or 15.0% to $9.4 million from $11.0 million for Q1 2026. The decrease was mainly driven by lower revenues and by sales mix impacting gross margin.

Note:

(1) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

CORPORATE

(in thousands of Canadian dollars)	3 months Q1 2027	Q1 2026	% Change
Operating expenses	4,618	4,980	(7.3)
Adjust:			
Share-based compensation	(289)	270	(207.0)
Deferred share unit expense	(2,271)	(3,434)	(33.9)
Adjusted EBITDA(1)	**(2,058)**	**(1,816)**	**13.3**

Adjusted EBITDA(1)

Corporate Adjusted EBITDA represents the head office operating expenses less the share-based compensation and deferred share unit expense. The decrease in Corporate Adjusted EBITDA for Q1 2027 was primarily driven by higher professional fees, specifically related to accounting and tax services.

Note:

(1) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

Quarterly results

Revenues fluctuated over the last eight quarters from $93.6 million in the second quarter of Fiscal 2025 to $158.0 million in the first quarter of Fiscal 2027. These fluctuations, largely driven by the cyclical nature of the Corporation's business, were also influenced by several other factors. The increase in Q3 2025 was primarily due to normal business seasonality and to higher FAST channel revenues. The decrease in Q4 2025 was mainly due to normal business seasonality. The slight decrease in Q1 2026 is due to a decrease in subscriptions revenues, largely offset by an increase in FAST channel revenues. The increase in Q2 2026 was mostly due to an increase in equipment and installation sales related to digital signage and to the acquisition of The Singing Machine, to an increase in FAST channel revenues and to higher retail media advertising revenues. The increase in Q3 2026 was mostly due to normal business seasonality and to higher advertising revenues resulting from the acquisition of TuneIn, partially offset by lower equipment and installation sales related to digital signage. The increase in Q4 2026 was largely due to higher advertising and subscription revenues, both resulting from the full-quarter impact of the TuneIn acquisition, partially offset by a decrease in retail media sales, by lower revenues in the Radio segment and by lower equipment and installation sales related to digital signage. The increase in Q1 2027 was mostly due to higher FAST channel and TuneIn-related advertising revenues, further supported by growth in the Radio segment.

Adjusted EBITDA(1) fluctuated over the last eight quarters from $34.0 million in the second quarter of Fiscal 2025 to $50.3 million in the first quarter of Fiscal 2027. The increase in Q3 2025 and the decrease in Q4 2025 were mainly due to normal business seasonality. The decrease in Q1 2026 was mainly due to a decrease in gross margin related to product mix and to higher operating expenses, mostly due to higher salaries. The increase in Q2 2026 was largely due to higher revenues. The increase in Q3 2026 was mostly due to normal business seasonality and to the acquisition of TuneIn. The increase in Q4 2026 was largely driven by the full-quarter impact of the TuneIn acquisition. The increase in Q1 2027 was primarily due to revenue growth.

Net income (loss) fluctuated over the last eight quarters from a Net income of $5.8 million in the second quarter of Fiscal 2025 to a Net income of $6.6 million in the first quarter of Fiscal 2027 In Q3 2025, the increase was mostly due to higher operating results. In Q4 2025, the decrease was mostly due to lower revenues related to normal business seasonality and to higher performance and deferred share unit expense due to an increase in the share price, partially offset by a lower loss on the fair value of derivative financial instruments and by lower income tax expense. In Q1 2026, the increase was mainly due to an unrealized gain on the fair value of derivative financial instruments, to a foreign exchange gain and to a decrease in the fair value of contingent considerations, partially offset by higher income tax expense. The decrease in Q2 2026 was mainly due to an unrealized loss on the fair value of derivative instruments and to a foreign exchange loss partially offset by higher operating results. The decrease in Q3 2026 was mainly due to a higher performance and deferred share unit expense due to an increase in the share price and to higher acquisition and legal fees, partially offset by an unrealized gain on the fair value of derivative financial instruments and by higher operating results. The decrease in Q4 2026 was primarily due to a goodwill and broadcast licences impairment charge of $64.7 million and to higher acquisitions costs and amortization expenses resulting from the acquisition of TuneIn, partially offset by an income tax recovery. The increase in Q1 2027 was largely due to the non-recurrence of the impairment charge on goodwill and broadcast licences recorded in the Radio segment during the prior quarter.

Note:

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Summary of Consolidated Quarterly Results

(in thousands of Canadian dollars, except per share amounts)	3 months June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024
	FY2027	FY2026	FY2026	FY2026	FY2026	FY2025	FY2025	FY2025
Revenues by segment								
Broadcasting and Commercial Music	126,014	94,966	88,117	80,856	61,420	64,585	72,218	60,895
Radio	32,008	29,058	36,726	32,406	34,217	31,423	36,010	32,690
Total revenues	**158,022**	**124,024**	**124,843**	**113,262**	**95,637**	**96,008**	**108,228**	**93,585**
Revenues by geography								
Canada	48,693	44,221	53,592	51,471	49,535	46,793	54,184	48,942
United States	98,416	68,673	60,308	51,942	35,153	38,013	42,316	32,889
Other countries	10,913	11,130	10,943	9,849	10,949	11,202	11,728	11,754
Total revenues	**158,022**	**124,024**	**124,843**	**113,262**	**95,637**	**96,008**	**108,228**	**93,585**
Adjusted EBITDA(1)	**50,252**	**42,491**	**44,519**	**39,520**	**33,656**	**35,027**	**42,108**	**33,994**
LTM Adjusted EBITDA(1)	**176,782**	**160,186**	**152,721**	**150,311**	**144,785**	**142,199**	**136,595**	**133,135**
Net income (loss)	**6,590**	**(64,624)**	**7,494**	**11,772**	**16,783**	**7,655**	**15,677**	**5,813**
Net income (loss) per basic share	0.10	(0.95)	0.11	0.17	0.25	0.11	0.23	0.08
Net income (loss) per diluted share	0.10	(0.95)	0.11	0.17	0.24	0.11	0.23	0.08
Adjusted Net income(1)	**27,947**	**20,811**	**26,284**	**21,884**	**21,311**	**18,568**	**23,424**	**16,729**
Adjusted Net income per basic share(1)	0.41	0.31	0.39	0.32	0.31	0.27	0.34	0.24
Adjusted Net income per diluted share(1)	0.40	0.31	0.38	0.32	0.31	0.27	0.34	0.24
Cash flow from operations	**4,801**	**35,225**	**38,017**	**24,329**	**18,987**	**39,720**	**35,387**	**19,183**
Adjusted free Cash Flow(1)	**32,479**	**20,086**	**34,796**	**28,396**	**18,797**	**18,411**	**28,636**	**21,103**
Quarterly dividend	**0.085**	**0.085**	**0.085**	**0.085**	**0.075**	**0.075**	**0.075**	**0.075**

Note:

(1) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to "Supplemental Information on Non-IFRS Measures" on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to "Non-IFRS Measures Reconciliations" on page 9 and "Reconciliation of Quarterly Non-IFRS Measures" on page 19.

Reconciliation of Quarterly Non-IFRS Measures

Adjusted EBITDA, Pro Forma Adjusted EBITDA, LTM Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net income, Adjusted Net income per share, Adjusted free cash flow, Adjusted free cash flow per share, Net debt and Net debt to Pro Forma Adjusted EBITDA ratio are non-IFRS measures that the Corporation uses to assess its operating performance. Refer to “Supplemental information on Non-IFRS Measures” on page 7.

The following tables show the reconciliation of Net income to Adjusted EBITDA, to Adjusted Net income, to LTM Adjusted EBITDA and to Pro Forma Adjusted EBITDA:

	3 months							
(in thousands of Canadian dollars)	**June 30, 2026**	**March. 31, 2026**	**Dec. 31, 2025**	**Sept. 30, 2025**	**June 30, 2025**	**March. 31, 2025**	**Dec. 31, 2024**	**Sept. 30, 2024**
	FY2027	**FY 2026**	**FY 2026**	**FY 2026**	**FY2026**	**FY2025**	**FY2025**	**FY2025**
Net income (loss)	**6,590**	**(64,624)**	**7,494**	**11,772**	**16,783**	**7,655**	**15,677**	**5,813**
Impairment of goodwill and broadcast licences	–	64,696	–	–	–	–	–	–
Net finance expense (income)	11,728	10,617	341	9,282	(2,754)	9,516	11,639	12,162
Change in fair value of investments	(8)	(12)	10	(15)	37	2	(43)	29
Income taxes	1,222	(7,236)	3,876	3,906	5,892	977	4,025	2,457
Depreciation and write-offs of property and equipment	1,773	2,238	1,888	1,977	1,816	1,941	2,104	1,970
Depreciation of right-of-use assets	1,361	1,332	1,153	1,091	1,148	1,020	850	1,137
Amortization of intangible assets	12,546	12,153	4,806	4,207	4,558	5,115	5,098	4,199
Share-based compensation	289	134	195	177	(270)	111	62	106
Performance and deferred share unit expense	3,347	5,264	13,955	4,214	4,132	5,640	1,942	1,763
Share of results of investments in associates	(155)	195	189	73	300	(210)	(288)	1,827
Acquisition, legal, restructuring and other expenses	11,567	17,281	9,372	2,832	1,515	4,129	1,042	2,531
Loss (gain) on disposals	(8)	453	1,240	4	499	(845)	–	–
Other income	–	–	–	–	–	(24)	–	–
Adjusted EBITDA	**50,252**	**42,491**	**44,519**	**39,520**	**33,656**	**35,027**	**42,108**	**33,994**
Adjusted EBITDA margin	**31.8%**	**30.8%**	**35.7%**	**34.9%**	**35.2%**	**36.5%**	**38.9%**	**36.3%**
Net Income (loss)	**6,590**	**(64,624)**	**7,494**	**11,772**	**16,783**	**7,655**	**15,677**	**5,813**
Adjusted for:								
Impairment of goodwill and broadcast licences	–	64,696	–	–	–	–	–	–
Unrealized loss (gain) on derivative financial instruments	1,383	329	(3,028)	2,350	(4,535)	1,010	2,770	4,434
Amortization of intangible assets	12,546	12,153	4,806	4,207	4,558	5,115	5,098	4,199
Change in fair value of investments	(8)	(12)	10	(15)	37	2	(43)	29
Share-based compensation	289	134	195	177	(270)	111	62	106
Performance and deferred share unit expense	3,347	5,264	13,955	4,214	4,132	5,640	1,942	1,763
Acquisition, legal, restructuring and other expenses	11,567	17,281	9,372	2,832	1,515	4,129	1,042	2,531
Share of results of investments in associates	(155)	195	189	73	300	(210)	(288)	1,827
Loss (gain) on disposals	(8)	453	1,240	4	499	(845)	–	–
Other income	–	–	–	–	–	(24)	–	–
Income taxes related to above noted adjustments	(7,604)	(15,058)	(7,949)	(3,730)	(1,708)	(4,015)	(2,836)	(3,973)
Adjusted Net income	**27,947**	**20,811**	**26,284**	**21,884**	**21,311**	**18,568**	**23,424**	**16,729**
Average number of shares outstanding (diluted)	69,056	68,048	69,032	68,628	68,758	68,807	68,742	69,022
Adjusted Net income per diluted share	**0.40**	**0.31**	**0.38**	**0.32**	**0.31**	**0.27**	**0.34**	**0.24**

(in thousands of Canadian dollars)	3 months June 30, 2026	March. 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024
	FY2027	FY2026	FY2026	FY2026	FY2026	FY2025	FY2025	FY2025
LTM Adjusted EBITDA	176,782	160,186	152,721	150,311	144,785	142,199	136,595	133,135
Permanent cost-saving initiatives	889	940	643	489	773	1,046	1,332	1,476
Cost synergies from the acquisition of TuneIn	7,957	9,813	3,585	–	–	–	–	–
Adjusted EBITDA for the months prior to the business acquisition which are not already reflected in the results	30,811	40,613	44,414	–	–	150	299	449
Pro Forma Adjusted EBITDA	**216,439**	**211,552**	**201,363**	**150,800**	**145,558**	**143,395**	**138,226**	**135,060**

The following table shows the reconciliation of Cash flow from operating activities to Adjusted free cash flow:

(in thousands of Canadian dollars)	3 months June 30, 2026	March. 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024
	FY2027	FY2026	FY2026	FY 2026	FY2026	FY2025	FY 2025	FY 2025
Cash flow from operating activities	**4,801**	**35,225**	**38,017**	**24,329**	**18,987**	**39,720**	**35,387**	**19,183**
Acquisition of property and equipment	(1,519)	(1,939)	(1,297)	(2,171)	(2,153)	(2,057)	(1,765)	(1,886)
Acquisition of intangible assets other than internally developed intangible assets	(390)	(472)	(554)	(262)	(336)	(1,183)	(848)	(205)
Addition to internally developed intangible assets	(3,017)	(2,941)	(1,658)	(1,307)	(1,394)	(1,371)	(1,263)	(1,268)
Interest paid	(7,813)	(8,490)	(4,895)	(4,830)	(4,955)	(5,287)	(6,159)	(6,356)
Repayment of lease liabilities	(1,242)	(1,181)	(1,095)	(1,415)	(867)	(954)	(1,025)	(1,324)
Net change in non-cash operating working capital items	28,304	(17,880)	(2,032)	9,709	9,755	(17,094)	1,076	9,848
Unrealized loss (gain) on foreign exchange	1,788	483	(1,062)	1,511	(1,755)	2,508	2,191	580
Acquisition, legal, restructuring and other expenses	11,567	17,281	9,372	2,832	1,515	4,129	1,042	2,531
Adjusted free cash flow	**32,479**	**20,086**	**34,796**	**28,396**	**18,797**	**18,411**	**28,636**	**21,103**
Average number of shares outstanding (diluted)	69,056	68,048	69,032	68,628	68,758	68,807	68,742	69,022
Adjusted free cash flow per diluted share	**0.47**	**0.30**	**0.50**	**0.41**	**0.27**	**0.27**	**0.42**	**0.31**

The following table shows the calculation of Net debt and of Net debt to Pro Forma Adjusted EBITDA ratio:

(in thousands of Canadian dollars)	3 months June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024
	FY2027	FY2026	FY2026	FY 2026	FY2026	FY2025	FY 2025	FY 2025
Credit facility	569,475	524,106	519,658	336,273	337,416	341,365	370,826	350,500
Subordinated debt	–	–	–	–	–	–	–	25,583
Cash and cash equivalents	(21,888)	(20,747)	(17,332)	(15,145)	(11,495)	(13,984)	(19,253)	(8,593)
Net debt	**547,587**	**503,359**	**502,326**	**321,128**	**325,921**	**327,381**	**351,573**	**367,490**
Net debt to Pro Forma Adjusted EBITDA	**2.53**	**2.38**	**2.49**	**2.13**	**2.24**	**2.28**	**2.54**	**2.72**

LIQUIDITY AND CAPITAL RESOURCES
FOR THE PERIODS ENDED JUNE 30, 2026 AND 2025

	3 months	
(in thousands of Canadian dollars)	Q1 2027	Q1 2026
Operating activities	4,801	18,987
Financing activities	6,604	(17,979)
Investing activities	(10,502)	(3,401)
Effect of foreign exchange difference on cash and cash equivalents	238	(96)
Net change in cash	1,141	(2,489)
Cash – beginning of period	20,747	13,984
Cash – end of period	21,888	11,495
Adjusted free cash flow(1)	**32,479**	**18,797**

Operating Activities

Cash flow generated from operating activities amounted to $4.8 million for Q1 2027 compared to $19.0 million for Q1 2026. The decrease was mainly due to a larger negative change in non-cash operating items, mostly due to the timing of accounts receivable collections in advertising, and to higher acquisition costs, partially offset by higher operating results.

Financing Activities

Net cash flow provided by financing activities amounted to $6.6 million for Q1 2027 compared to Net cash flow used in financing activities of $18.0 million for Q1 2026. The variance was primarily due to borrowings on the credit facility, partially offset by higher share repurchases and repayment of a holdback in connection with the TuneIn acquisition.

Investing Activities

Net cash flow used in investing activities amounted to $10.5 million for Q1 2027 compared to $3.4 million for Q1 2026. The increase was mainly due to acquisitions of intangible assets through asset purchases and to increased addition of internally developed intangible assets.

Adjusted free cash flow(1)

Adjusted free cash flow generated in Q1 2027 amounted to $32.5 million compared to $18.8 million for Q1 2026. The increase was mainly related to higher operating results, partially offset by higher interest paid.

Note:

(10 This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

CONSOLIDATED FINANCIAL POSITION

The following table shows the main variances that have occurred in the consolidated financial position of the Corporation for the three-month period ending June 30, 2026:

(in thousands of Canadian dollars)	June 30, 2026	March 31, 2026	Variance		Significant contributions
Trade and other receivables	149,680	128,323	21,357	▲	Timing of payments by clients and overall revenue growth
Intangible assets	228,585	226,387	2,198	▲	Amortization of intangible assets, partially offset by additions through asset acquisitions
Goodwill	277,104	274,819	2,285	▲	Foreign exchange differences
Accounts payables and accrued liabilities	171,767	163,268	8,499	▲	Timing of payments to suppliers
Other liabilities	22,427	28,644	(6,217)	▼	TuneIn post-closing adjustment
Credit facilities	569,475	524,106	45,369	▲	Refer to the graph on following page

Capital Resources

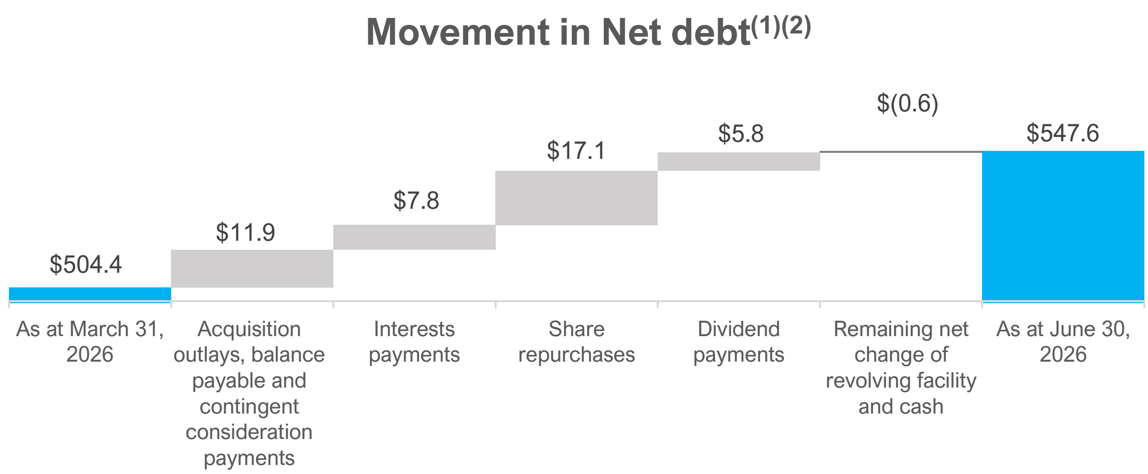
Our principal sources of liquidity are our net cash provided by operating activities and borrowings available under our revolving facility. Our principal uses of cash are to repay our debt, finance our acquisitions and capital expenditures, pay dividends, repurchase shares and provide for working capital. We expect that cash generated from operations and borrowings available under our current credit facility will be sufficient to meet our liquidity needs in the foreseeable future.

The credit facilities consist of a $500 million revolving credit facility (“Revolving facility”) and a US$-denominated term loan with an outstanding principal balance of US$142.5 million ($202.9 million), both maturing on November 10, 2029, of which $131.2 million was available as at June 30, 2026.

The credit facility bears interest at (a) the bank’s prime rate (4.45% and 4.95% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or US base rate if denominated in US dollars (7.25% and 8.00% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (b) CORRA (2.34% and 2.75% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (c) SOFR (3.63% and 4.43% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (d) EURIBOR (1.90% and 2.01% as at June 30, 2026 and 2025, respectively) at the Corporation’s option. In addition, the Corporation incurs standby fees based on a financial covenant, on the unused portion of the credit facility (0.37% as at June 30, 2026 and 2025). The credit facility is secured by guarantees from subsidiaries and first ranking lien on universality of all assets, tangible and intangible, present and future.

As of June 30, 2026, the Corporation had cash and cash equivalents of $21.9 million and credit facility of $569.5 million.

The following table summarizes the impact on the Net debt(2) that occurred in the three-month period ended June 30, 2026:



Notes:

(1) In millions of Canadian dollars.

(2) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

SOCAN and Re:Sound legal proceedings

In May 2017, the Corporation, together with its Canadian Broadcast Distribution Undertaking customers (together, the "Objectors"), presented an affirmative case before the Copyright Board of Canada to seek a reduction in the prescribed rates and terms for the Pay Audio Services Tariff for the 2007-2016 period. SOCAN and Re:Sound (together, the "Collectives") opposed that case. On May 28, 2021, the Copyright Board of Canada released a final decision relating to the Pay Audio Services Tariff. The decision and certified tariff were in line with the Objectors' expectations. By way of settlement, the Corporation has recovered the entirety of the anticipated refund from SOCAN. The Corporation continues to work with the other Objectors to collect from Re:Sound pursuant to the decision of the Copyright Board.

Contractual Obligations

The Corporation is committed under the terms of contractual obligations with various expiration dates, primarily the rental of office space, financial obligations under its credit agreement, broadcast licences and commitments for copyright royalties. There have been no material changes to these obligations since March 31, 2026.

Transactions Between Related Parties

The key management personnel of the Corporation are the Chief Executive Officer, Interim Chief Financial Officer and certain other key employees of the Corporation. There have been no material changes to the nature or importance of the transactions between related parties since March 31, 2026.

Off-Balance Sheet Arrangements

The Corporation therefore has no off-balance sheet arrangements, except for the operating leases with terms of twelve months or less, leases of low-value assets or leases that are not in scope of IFRS 16, that have, or are reasonably likely to have, a current or future material effect on its consolidated financial position, financial performance, liquidity, capital expenditures or capital resources.

Disclosure of Outstanding Share Data

Issued and outstanding shares and outstanding stock options consisted of:

	July 31, 2026	June 30, 2026
Issued and outstanding shares:		
Subordinate voting shares	54,057,394	54,057,394
Multiple voting shares	12,941,498	12,941,498
	66,998,892	**66,998,892**
Outstanding stock options:		
Stock options	2,270,651	2,270,651

The Corporation has a stock option plan to attract and retain employees, directors, officers and consultants. The plan provides for the granting of options to purchase subordinate voting shares. Under this plan, 10% of all multiple voting shares, subordinate voting shares and variable subordinate voting shares issued and outstanding on a non-diluted basis is reserved for issuance. During the first three months of Fiscal 2027, 14,855 options were exercised, 399,747 options were granted to eligible employees and 3,700 options were cancelled.

Financial Risk Factors

The Corporation is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest risk). The interim consolidated financial statements and management discussion and analysis do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the annual financial statements as at March 31, 2026. The Corporation is not aware of any significant changes to the financial risk factors from those disclosed at that time.

Risk Factors

For a detailed description of risk factors associated with the Corporation, please refer to the "Risk Factors" section of the Corporation's Annual Information Form dated August 4, 2026. The Corporation is not aware of any significant changes to the Corporation's risk factors from those disclosed at that time.

Future Accounting Changes

For information on future accounting changes, please refer to the unaudited interim consolidated financial statements.

Evaluation of Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Internal control over financial reporting ("ICFR") is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and of the preparation of financial statements for external purposes in accordance with IFRS. The President and Chief Executive Officer ("CEO") and the Interim Chief Financial Officer ("CFO"), together with Management, are responsible for establishing and maintaining adequate disclosure controls and procedures ("DC&P") and ICFR, as defined in National Instrument 52-109. The Corporation's internal control framework is based on the criteria published in the updated version released in May 2013 of the report Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("2013 COSO Framework").

The DC&P have been designed to provide reasonable assurance that material information relating to the Corporation is made known to the CEO and CFO by others, and that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by the Corporation under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

As disclosed in the Corporation's annual Management's Discussion and Analysis for the year ended March 31, 2026, management identified a material weakness in internal control over financial reporting related to the review of certain complex accounting transactions. While management has taken concrete actions to address this deficiency, the operating effectiveness of the newly implemented controls could not be fully tested during the period due to the absence of a triggering event. As a result, management has determined that the material weakness continued to exist as at June 30, 2026, and the Chief Executive Officer and Interim Chief Financial Officer have concluded that the Corporation's ICFR and DC&P were not effective as at June 30, 2026.

Specifically, the Corporation lacked sufficient resources with the requisite technical accounting and valuation expertise to perform an adequate independent review of complex valuation models used in impairment testing and in the determination of total consideration in the purchase price allocation (PPA) of TuneIn Holdings, Inc.

Notwithstanding this material weakness, management has concluded that the Corporation's unaudited interim consolidated financial statements for the three-month period ended June 30, 2026, present fairly, in all material respects, the Corporation's financial position, results of operations, changes in equity, and cash flows in accordance with IFRS.

Remediation Status

During the first quarter ended June 30, 2026, management of the Corporation, with Audit Committee oversight, continued to actively implement its remediation plan. Regarding purchase price allocations (PPAs), the Corporation has successfully implemented a new formalized review protocol to rigorously evaluate and document management's assessment of the underlying data and methodologies. As a proactive measure for future impairment tests, the Corporation will mandate the engagement of qualified external third-party valuation experts. While the Corporation has designed and implemented new review protocols to address this issue, their operating effectiveness cannot be fully tested until a triggering event occurs. Because impairment testing is primarily an annual exercise and no significant business acquisitions requiring a PPA occurred during the first quarter, management has not yet had the opportunity to test the operating effectiveness of these newly implemented controls. Therefore management believes that the overall material weakness has not yet been fully remediated as of June 30, 2026.

Except for the remediation measures described above, there have been no changes in the Corporation's internal control over financial reporting that occurred during the period that have materially affected, or are likely to materially affect, the Corporation's ICFR.

The Corporation excludes the acquisition of TuneIn from its evaluation of the overall effectiveness of its ICFR. The Corporation has accordingly availed itself of provision 3.3(1)(b) of Regulation 52-109 which permits exclusion of this acquisition in the design and operating effectiveness assessment of its ICFR for a maximum period of 365 days from the date of acquisition.

Subsequent Events

Refer to note 15 of the Consolidated financial statements.

Additional Information

Additional information about the Corporation is available on our website at www.stingray.com and on the SEDAR website at www.sedar.com

Consolidated Statements of Comprehensive Income

Three-month periods ended June 30, 2026 and 2025

(In thousands of Canadian dollars, except per share amounts)		3 months	
(Unaudited)	Note	June 30, 2026	June 30, 2025
Revenues	5	$ 158,022	$ 95,637
Operating expenses		111,406	65,843
Depreciation, amortization and write-off		15,680	7,571
Net finance expense (income)	6	11,728	(2,754)
Change in fair value of investments		(8)	37
Share of results of investments in associates and joint ventures		(155)	300
Acquisition, legal, restructuring and other expenses	7	11,567	1,515
Loss (gain) on disposals		(8)	450
Income before income taxes		7,812	22,675
Income taxes		1,222	5,892
Net income		$ 6,590	$ 16,783

Net income per share — Basic		$ 0.10	$ 0.25
Net income per share — Diluted		0.10	0.24
Weighted average number of shares – Basic		68,039,001	67,959,967
Weighted average number of shares – Diluted		69,055,933	68,757,656

Comprehensive income			
Net income		$ 6,590	$ 16,783
Other comprehensive loss			
Items that may be reclassified to profit and loss			
Exchange differences on translation of foreign operations		3,261	(1,940)
Total other comprehensive income (loss)		3,261	(1,940)
Total comprehensive income		$ 9,851	$ 14,843

Net income is entirely attributable to Shareholders of the Corporation.

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

Consolidated Statements of Financial Position

June 30, 2026 and March 31, 2026

(In thousands of Canadian dollars) (Unaudited)	Note		June 30, 2026		March 31, 2026
Assets					
Current assets					
Cash and cash equivalents		$	21,888	$	20,747
Trade and other receivables			149,680		128,323
Income taxes receivable			2,095		1,915
Inventories			4,683		3,983
Prepaid expenses and deposits			24,755		21,133
			203,101		176,101
Non-current assets					
Property and equipment	8		34,337		34,497
Right-of-use assets on leases	8		20,232		20,986
Intangible assets, excluding broadcast licences	8		228,585		226,387
Broadcast licences	8		252,621		252,621
Goodwill	8		277,104		274,819
Investments			5,911		4,648
Other non-current assets			3,157		3,166
Deferred tax assets			35,416		33,838
Total assets		$	1,060,464	$	1,027,063
Liabilities and Equity					
Current liabilities					
Credit facilities			21,353		20,914
Accounts payable and accrued liabilities			171,767		163,268
Dividend payable			—		5,789
Deferred revenues			9,219		8,178
Current portion of lease liabilities	10		5,337		5,309
Current portion of other liabilities	11		11,120		13,871
Income taxes payable			3,213		5,645
			222,009		222,974
Non-current liabilities					
Credit facilities	9		548,122		503,192
Deferred revenues			34		34
Lease liabilities	10		17,375		17,998
Other liabilities	11		11,307		14,773
Deferred tax liabilities			57,110		56,550
Total liabilities			855,957		815,521
Shareholders' equity					
Share capital	12		288,988		294,545
Contributed surplus			4,216		4,252
Deficit			(105,357)		(100,654)
Accumulated other comprehensive income			16,660		13,399
Total equity			204,507		211,542
Subsequent events (note 15)					
Total liabilities and equity		$	1,060,464	$	1,027,063

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

Approved by the Board of Directors,

(Signed) Eric Boyko, Director

(Signed) Karinne Bouchard, Director

Consolidated Statements of Changes in Equity

Three-month periods ended June 30, 2026 and 2025

(In thousands of Canadian dollars, except number of share capital) (Unaudited)	Share Capital				Accumulated other comprehensive income (loss)		
	Number	Amount	Contributed surplus	Deficit	Cumulative Translation Account	Defined Benefit Plans	Total shareholders' equity
Balance at March 31, 2025	68,092,723	292,273	5,672	(42,754)	8,577	3,066	266,834
Issuance of shares upon exercise of options (note 12)	57,623	401	(70)	—	—	—	331
Dividends	—	—	—	14	—	—	14
Repurchase and cancellation of shares (note 12)	(342,000)	(1,775)	—	(1,295)	—	—	(3,070)
Share-based compensation	—	—	15	—	—	—	15
Employee share purchase plan (note 12)	(15,057)	(134)	134	—	—	—	—
Net income	—	—	—	16,783	—	—	16,783
Other comprehensive loss	—	—	—	—	(1,940)	—	(1,940)
Balance at June 30, 2025	67,793,289	$ 290,765	$ 5,751	$ (27,252)	$ 6,637	$ 3,066	$ 278,967
Balance at March 31, 2026	68,090,655	294,545	4,252	(100,654)	10,387	3,012	211,542
Issuance of shares upon exercise of options (note 12)	14,855	129	(23)	—	—	—	106
Dividends	—	—	—	8	—	—	8
Repurchase and cancellation of shares (note 12)	(1,116,854)	(5,845)	—	(11,301)	—	—	(17,146)
Share-based compensation	—	—	146	—	—	—	146
Employee share purchase plan (note 12)	10,236	159	(159)	—	—	—	—
Net income	—	—	—	6,590	—	—	6,590
Other comprehensive income	—	—	—	—	3,261	—	3,261
Balance at June 30, 2026	66,998,892	$ 288,988	$ 4,216	$ (105,357)	$ 13,648	$ 3,012	$ 204,507

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

Consolidated Statements of Cash Flows

Three-month periods ended June 30, 2026 and 2025

(In thousands of Canadian dollars) (Unaudited)	Note	3 months June 30, 2026	 June 30, 2025
Operating activities:			
Net income		$ 6,590	$ 16,783
Adjustments for:			
Depreciation, amortization and write-off		15,680	7,522
Loss (gain) on disposal of PPE		(8)	49
Loss on disposal of an investment		—	450
Share-based compensation, PSU and DSU expenses		3,636	3,862
Interest expense and standby fees	6	7,308	4,616
Change in fair value of derivative financial instruments	6	1,383	(4,535)
Change in fair value of investments		(8)	37
Share of results of joint venture		(155)	232
Share of results of investments in associates		—	54
Change in fair value of contingent consideration	6	608	(1,621)
Accretion expense	6	242	201
Interest expense on lease liabilities	6, 10	371	317
Income tax expense		1,222	5,892
Income taxes paid		(3,764)	(5,117)
		33,105	28,742
Net change in non-cash operating items	13	(28,304)	(9,755)
		4,801	18,987
Financing activities:			
(Decrease) Increase of credit facilities		45,255	(4,069)
Payment of dividend		(5,781)	(5,094)
Shares repurchased and cancelled	12	(17,146)	(3,070)
Deferred financing fees		(58)	—
Proceeds from the exercise of stock options		106	331
Shares purchased under the employee share purchase plan		—	(134)
Interest paid		(7,813)	(4,955)
Payment of lease liabilities		(1,242)	(867)
Repayment of other liabilities		(6,717)	(121)
Unwind of interest rate contract		—	—
		6,604	(17,979)
Investing activities:			
Acquisition of intangible assets through asset purchases		(5,185)	—
Addition to investment in associates		(12)	—
Addition to investments in joint venture		(327)	—
Disposal of non-core assets		14	491
Acquisition of investments		(66)	(9)
Acquisition of property and equipment		(1,519)	(2,153)
Acquisition of intangible assets other than internally developed intangible assets		(390)	(336)
Addition to internally developed intangible assets		(3,017)	(1,394)
		(10,502)	(3,401)
Effect of foreign exchange difference on cash and cash equivalents		238	(96)
Net decrease in cash and cash equivalents		1,141	(2,489)
Cash and cash equivalents, beginning of period		20,747	13,984
Cash and cash equivalents, end of period		$ 21,888	$ 11,495

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

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

1. BUSINESS DESCRIPTION AND BASIS OF CONSOLIDATION

Stingray Group Inc. (the "Corporation") is incorporated under the *Canada Business Corporations Act*. The Corporation is domiciled in Canada and its registered office is located at 730 Wellington, Montréal, Québec, H3C 1T4. The Corporation is a provider of multi-platform music services. It broadcasts high quality music and video content on several platforms including radio stations, premium television channels, digital TV, satellite TV, IPTV, the Internet, mobile devices and game consoles. A portion of the Corporation's revenues is derived from the sale of advertising, which is subject to the seasonal fluctuations. Accordingly, the third quarter results tend to be the strongest in a fiscal year.

These interim consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiaries, Stingray Music USA Inc. (and its subsidiary Pop Radio LLC), 2144286 Ontario Inc., 4445694 Canada Inc., Pay Audio Services Limited Partnership, Music Choice Europe Limited, Stingray Digital International Ltd., Stingray Europe B.V., Transmedia Communications SA, SBA Music PTY Ltd., Stingray Music, S.A. de C.V., DJ Matic NV and Stingray Radio Inc. and all these entities' wholly owned subsidiaries.

The auditors of the Corporation have not performed a review of the interim financial report for the three-month periods ended June 30, 2026 and 2025.

2. CHANGES AND HIGHLIGHTS

On June 18, 2026, the Company repurchased and cancelled 1,000,000 subordinate voting shares and variable subordinate voting shares from CDP Investissements inc. (a subsidiary of *La Caisse de dépôt et placement du Québec*) via a private agreement. The shares were acquired at $15.40 per share—a 5.1% discount to the TSX closing price—for a total cash consideration of $15,400, financed with cash on hand. The transaction was completed under an exemption from l'*Autorité des marchés financiers* and does not impact the Company's current normal course issuer bid limits.

On April 2, 2026, the Corporation acquired some of the assets of RadioLine SAS, a French based internet radio and podcast aggregation platform for a consideration of EUR 3,000 at closing and EUR 1,000 conditional to certain conditions being met, payable at the latest on February 25, 2027.

3. BUSINESS ACQUISITIONS

There was no business acquisition in the three-month period ended June 30, 2026.

4. SEGMENT INFORMATION

OPERATING SEGMENTS

The Corporation's operating segments are aggregated in two segments: *Broadcasting and commercial music* and *Radio*. The operating segments reflect how the Corporation manages its operations, resources and assets and how it measures its performance. Both operating segments' financial results are reviewed by the Chief operating decision maker ("CDOM") to make decisions about resources to be allocated to the segment and assesses its performance based on adjusted earnings before interest, taxes, depreciation and amortization (thereafter "Adjusted EBITDA"), and for which distinct financial information is available. Adjusted EBITDA excludes from income before income taxes the following expenses: share-based compensation, performance and deferred share unit expense, depreciation, amortization and write-off, net finance expense (income), change in fair value of investments, impairment of goodwill and broadcast licences, acquisition, legal, restructuring, and other expenses, share of results of investments in associates and joint ventures, loss (gain) on disposals and other income. There are no inter-segment revenues for the periods.

(In thousands of Canadian dollars, unless otherwise stated)

The Broadcasting and commercial music segment specializes in the broadcast of music and videos on multiple platforms and digital signage experiences and generates revenues from subscriptions, contracts and advertising.

The Radio segment operates several radio stations across Canada and generates revenues from advertising.

Corporate and eliminations is a non-operating segment comprising corporate and administrative functions that provide support and governance to the Corporation's operating business units.

The following tables present financial information by segment for the three-month periods ended June 30, 2026 and 2025.

	Broadcasting and commercial music		Radio		Corporate and eliminations		**Consolidated**	
	Q1 2027	Q1 2026	Q1 2027	Q1 2026	Q1 2027	Q1 2026	**Q1 2027**	**Q1 2026**
Revenues	$ 126,014	$ 61,420	$ 32,008	$ 34,217	$ —	$ —	**$ 158,022**	**$ 95,637**
Operating expenses (excluding Share-based compensation and PSU and DSU expenses)	83,091	36,987	22,621	23,178	2,058	1,816	**107,770**	**61,981**
Adjusted EBITDA	$ 42,923	$ 24,433	$ 9,387	$ 11,039	(2,058)	(1,816)	**50,252**	**33,656**
Share-based compensation	—	—	—	—	289	(270)	**289**	**(270)**
PSU and DSU expenses	786	474	290	224	2,271	3,434	**3,347**	**4,132**
Depreciation, amortization and write-off	13,950	5,768	1,730	1,803	—	—	**15,680**	**7,571**
Net finance expense (income)	7,573	(6,910)	4,155	4,156	—	—	**11,728**	**(2,754)**
Change in fair value of investments	(8)	37	—	—	—	—	**(8)**	**37**
Share of results on investments in associates	(155)	300	—	—	—	—	**(155)**	**300**
Acquisition, legal, restructuring and other expenses	11,109	833	458	682	—	—	**11,567**	**1,515**
Loss (gain) on disposals	(3)	450	(5)	—	—	—	**(8)**	**450**
Income before income taxes	9,671	23,481	2,759	4,174	(4,618)	(4,980)	**7,812**	**22,675**
Income taxes	470	4,836	752	1,056	—	—	**1,222**	**5,892**
Net income							**$ 6,590**	**$ 16,783**

During the three-month period ended June 30, 2026 the Corporation accrued tax credits related to its research and development of $513 (2025 - $433) and which were recorded as a reduction of operating expenses.

	Broadcasting and commercial music		Radio		Corporate and eliminations		**Consolidated**	
	June 30, 2026	March 31, 2026	June 30, 2026	March 31, 2026	June 30, 2026	March 31, 2026	**June 30, 2026**	**March 31, 2026**
Total assets	$ 583,592	$ 549,897	$ 476,872	$ 477,166	$ —	$ —	**$ 1,060,464**	**$ 1,027,063**
Total liabilities[(1)]	$ 187,190	$ 177,290	$ 92,564	$ 97,059	$ 576,203	$ 541,172	**$ 855,957**	**$ 815,521**

[(1)] Total liabilities include operating liabilities and the Credit facilities

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

	Broadcasting and commercial music		Radio		**Consolidated**	
	Q1 2027	Q1 2026	Q1 2027	Q1 2026	**Q1 2027**	**Q1 2026**
Acquisition of property and equipment	$ 805	$ 1,810	$ 752	$ 746	**$ 1,557**	**$ 2,556**
Addition to right-of-use assets on leases	$ 280	$ —	$ 398	$ 1,181	**$ 678**	**$ 1,181**
Acquisition of intangible assets	$ 10,626	$ 1,742	$ —	$ —	**$ 10,626**	**$ 1,742**

Acquisition of property and equipment, right-of-use assets on leases and intangible assets includes those acquired through business acquisitions, whether they were paid or not, and none are related to the Corporate segment.

As at June 30, 2026, approximately 53% (73% as at June 30, 2025) of the Corporation's non-current assets are located in Canada and approximately 29% (2025 – 9%) are located in the United States.

5. REVENUES

DISAGGREGATION OF REVENUES

The following table presents the Corporation's revenues disaggregated by reportable segment, primary geographical market and product.

	Reportable segments(1)					
	Broadcasting and commercial music		Radio		**Total revenues**	
Three-month periods	Q1 2027	Q1 2026	Q1 2027	Q1 2026	**Q1 2027**	**Q1 2026**
Geography						
United States	$ 98,416	$ 35,153	—	—	**$ 98,416**	**$ 35,153**
Canada	16,685	15,318	32,008	34,217	**48,693**	**49,535**
Other countries	10,913	10,949	—	—	**10,913**	**10,949**
	126,014	61,420	32,008	34,217	**158,022**	**95,637**
Products						
Advertising (2)	77,087	22,909	32,008	34,217	**109,095**	**57,126**
Subscriptions (2)	40,693	33,985	—	—	**40,693**	**33,985**
Equipment and labor (2)	8,234	4,526	—	—	**8,234**	**4,526**
	$ 126,014	$ 61,420	$ 32,008	$ 34,217	**$ 158,022**	**$ 95,637**

(1) No revenues are generated from the Corporate Segment
(2) Generally recognized over time

6. NET FINANCE EXPENSE (INCOME)

	3 months	
	June 30, 2026	June 30, 2025
Interest expense and standby fees	$ 7,308	$ 4,616
Unrealized loss (gain) on derivative financial instruments	1,383	(4,535)
Change in fair value of contingent consideration	608	(1,621)
Accretion of other liabilities	242	201
Interest expense on lease liabilities (note 10)	371	317
Foreign exchange loss (gain)	1,816	(1,732)
	$ 11,728	$ (2,754)

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

7. ACQUISITION, LEGAL, RESTRUCTURING AND OTHER EXPENSES

	3 months	
	June 30, 2026	June 30, 2025
Acquisition	$ 9,427	$ 311
Legal	643	69
Restructuring and other	1,497	1,135
	$ 11,567	$ 1,515

8. PROPERTY AND EQUIPMENT, RIGHT-OF-USE-ASSETS ON LEASES, INTANGIBLE ASSETS, BROADCAST LICENCES AND GOODWILL

	Property and equipment	Right-of-use assets on leases	Intangible assets	Broadcast licences	Goodwill
Year ended March 31, 2026					
Net book amount as at March 31, 2025	$ 35,389	$ 16,561	$ 53,827	$ 273,017	$ 309,690
Additions	8,046	8,779	197,194	—	8,202
Disposals and write-off	(1,052)	308	(57)	—	—
Depreciation of property and equipment	(7,921)	—	—	—	—
Depreciation of right-of-use assets on leases	—	(4,722)	—	—	—
Amortization of intangible assets	—	—	(25,724)	—	—
Impairment	—	—	—	(20,396)	(44,300)
Foreign exchange differences	35	60	1,147	—	1,227
Net book amount as at March 31, 2026	$ 34,497	$ 20,986	$ 226,387	$ 252,621	$ 274,819
Three-month period ended June 30, 2026					
Net book amount as at March 31, 2026	$ 34,497	$ 20,986	$ 226,387	$ 252,621	$ 274,819
Additions	1,557	678	10,626	—	—
Disposals and write-off	(21)	(150)	—	—	—
Depreciation of property and equipment	(1,773)	—	—	—	—
Depreciation of right-of-use assets on leases	—	(1,361)	—	—	—
Amortization of intangible assets	—	—	(12,546)	—	—
Foreign exchange differences	77	79	4,118	—	2,285
Net book amount as at June 30, 2026	$ 34,337	$ 20,232	$ 228,585	$ 252,621	$ 277,104

9. CREDIT FACILITIES

The credit facilities consist of a $500,000 revolving credit facility and a US$-denominated term loan with an outstanding principal balance of US$142,500 ($202,856), both maturing on November 10, 2029.

The credit facilities may be drawn in Canadian dollars in the form of prime rate loans or CORRA loans, in US dollars in the form of US base rate loans or SOFR loans, in Euro in the form of EURIBOR loans, in British Pounds in the form of SONIA loans and in Australian dollars in the form of BBSY loans.

The credit facilities bear interest at (a) the bank's prime rate (4.45% and 4.95% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or US base rate if denominated in US dollars (7.25% and 8.00% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (b) CORRA (2.34% and 2.75% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (c)

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

SOFR (3.63% and 4.43% as at June 30, 2026 and 2025, respectively) plus an applicable margin based on a financial covenant, or (d) EURIBOR (1.90% and 2.01% as at June 30, 2026 and 2025, respectively) at the Corporation's option.

In addition, the Corporation incurs standby fees based on a financial covenant, on the unused portion of the revolving credit facility (0.37% as at June 30, 2026 and 2025). The credit facilities are secured by guarantees from subsidiaries and first ranking lien on universality of all assets, tangible and intangible, present and future.

The Company's Term Loan is subject to specific financial covenants, notably a maximum Net Debt to EBITDA ratio of 4.00:1.00 and a minimum Fixed Charge Coverage ratio of 1.25:1.00, which are evaluated at the end of each reporting period. Should the Company breach a covenant on or before the end of the reporting period, rendering the Term Loan payable on demand, the liability would be reclassified as current.

The table below is a summary of the Credit facilities:

June 30, 2026	Total available	Drawn	Letter of credit	Net available
Committed credit facilities				
Revolving facility	$ 500,000	$ 368,048	$ 750	$ 131,202
Term facility	202,856	202,856	—	—
Total committed credit facilities	702,856	570,904	750	131,202
Less: unamortized deferred financing fees		1,429		
Balance, end of period		569,475		
Current portion		$ 21,353		
Non-current portion		$ 548,122		

March 31, 2026	Total available	Drawn	Letter of credit	Net available
Committed credit facilities				
Revolving facility	$ 500,000	$ 321,742	$ 750	$ 177,508
Term facility	203,911	203,911	—	—
Total committed credit facilities	703,911	525,653	750	177,508
Less: unamortized deferred financing fees		(1,547)		
Balance, end of year		524,106		
Current portion		$ 20,914		
Non-current portion		$ 503,192		

As at June 30, 2026 and March 31, 2026, letters of credit amounting to $750 reduced the availability on the revolving facility.

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

10. LEASE LIABILITIES

The following table presents a summary of the activity related to the lease liabilities of the Corporation for the three-month periods ended June 30, 2026 and 2025:

	3 months			
		June 30, 2026		**June 30, 2025**
Lease liabilities, beginning of period	$	23,307	$	18,797
Additions		563		1,440
Payment of lease liabilities, including related interest		(1,613)		(1,184)
Interest expense on lease liabilities		371		317
Foreign exchange		84		(9)
Lease liabilities, end of period	$	22,712	$	19,361

Lease liabilities included in the Consolidated statements of financial position		**June 30, 2026**		**March 31, 2026**
Current portion	$	5,337	$	5,309
Non-current portion	$	17,375	$	17,998
	$	22,712	$	23,307

The following table presents the maturity analysis of contractual undiscounted cashflows related to the lease liabilities of the Corporation as of June 30, 2026:

Less than one year	$	4,938
One to five years		17,406
More than five years		5,091
Total undiscounted lease liabilities as at June 30, 2026	$	27,435

11. OTHER LIABILITIES

		June 30, 2026		**March 31, 2026**
CRTC tangible benefits	$	29	$	29
Contingent consideration		6,784		6,176
Balance payable on business acquisitions		2,077		6,788
Accrued pension benefit liability		2,309		2,366
Derivative financial instruments		6,728		5,171
Performance share unit payable		3,276		6,106
Other		1,224		2,008
		22,427		28,644
Current portion		(11,120)		(13,871)
	$	11,307	$	14,773

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

12. SHARE CAPITAL

Authorized:

Unlimited number of subordinate voting shares, participating, without par value

Unlimited number of variable subordinate voting shares, participating, without par value

Unlimited number of multiple voting shares (10 votes per share), participating, without par value

Unlimited number of special shares, participating, without par value

Unlimited number of preferred shares issuable in one or more series, non-participating, without par value

Issued and outstanding:

The movements in share capital were as follows:

	Number of shares		Carrying amount
Year ended March 31, 2026			
Subordinate voting shares and variable subordinate voting shares			
As at March 31, 2025	55,151,225	$	274,397
Exercise of stock options	1,135,758		8,252
Repurchased and cancelled	(1,142,972)		(5,948)
Purchased and held in trust through employee share purchase plan	5,146		(32)
As at March 31, 2026	55,149,157	$	276,669
Multiple voting shares			
As at March 31, 2025	12,941,498		17,876
As at March 31, 2026	12,941,498		17,876
	68,090,655	$	294,545
Three-month period ended June 30, 2026			
Subordinate voting shares and variable subordinate voting shares			
As at March 31, 2026	55,149,157	$	276,669
Exercise of stock options	14,855		129
Repurchased and cancelled	(1,116,854)		(5,845)
Purchased and held in trust through employee share purchase plan	10,236		159
As at June 30, 2026	54,057,394	$	271,112
Multiple voting shares			
As at June 30, 2026 and March 31, 2026	12,941,498	$	17,876
	66,998,892		288,988

Transactions for the three-month period ended June 30, 2026

During the three-month period ended June 30 2026, 14,855 stock options were exercised and consequently, the Corporation issued 14,855 subordinate voting shares. The proceeds amounted to $106. An amount of $23 of contributed surplus related to those stock options was transferred to the subordinate voting shares' account balance.

On March 25, 2026, the Corporation declared a dividend of $0.085 per subordinate voting share, variable subordinate voting share, multiple voting share and subscription receipts. A dividend payable of $5,789 was accrued in the consolidated statement of financial position as at March 31, 2026. The dividend paid on June 15, 2026 was $5,781 which resulted in an adjustment of $8 in the consolidated statement of changes in equity for the three-month period ended June 30, 2026.

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

Share repurchase program

On September 24, 2025, the Toronto Stock Exchange (the "TSX") approved the renewal of its share repurchase program, effective September 27, 2025 and allowed the Corporation to repurchase up to an aggregate 3,710,428 subordinate voting shares and variable subordinate voting shares (collectively, the “Subordinate Shares”), representing approximately 10% of the Subordinate Shares issued and outstanding as at September 15, 2025. In accordance with TSX requirements, the Corporation is entitled to purchase, on any trading day, up to a total of 5,918 Subordinate Shares, representing 25% of the net average daily trading volume of the Subordinate Shares. When making such repurchases, the number of Subordinate Shares in circulation is reduced and the proportionate interest of all remaining shareholders in the Corporation’s share capital is increased on a pro rata basis. All shares repurchased under the share repurchase program will be cancelled upon repurchase. The share repurchase period will end no later than September 26, 2026.

The following table summarizes the Corporation's share repurchase activities during the three-month periods ended June 30, 2026 and June 30, 2025:

		2027		**2026**
Subordinate voting shares repurchased for cancellation *(unit)*		1,116,854		342,000
Average price per share	$	15.3517	$	8.9774
Total repurchase cost	$	17,146	$	3,070
Repurchase resulting in a reduction of:				
Share capital	$	5,845	$	1,775
Deficit [(1)]	$	11,301	$	1,295

[(1)] The excess of net repurchase cost over the average book value of the Subordinate voting shares.

13. SUPPLEMENTAL CASH FLOW INFORMATION

NET CHANGE IN NON CASH OPERATING ITEMS

	3 months			
		June 30, 2026		June 30, 2025
Trade and other receivables	$	(22,722)	$	74
Inventory		(741)		(938)
Prepaid expenses and deposits		(3,821)		(3,557)
Other non-current assets		(512)		296
Accounts payable and accrued liabilities		820		(1,127)
Deferred revenues		959		(1,439)
Income taxes payable		(565)		(615)
Other liabilities		(1,722)		(2,449)
	$	(28,304)	$	(9,755)

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

NON CASH ADDITIONS

The following table summarizes the Corporation's additions not affecting cash and cash equivalents for the three-month periods ended June 30, 2026 and 2025:

	3 months	
	June 30, 2026	June 30, 2025
Additions to property and equipment	$ 38	$ 403
Additions to intangible assets, excluding broadcast licences and intangible assets acquired through business acquisitions	2,034	12
	$ 2,072	$ 415

14. FINANCIAL INSTRUMENTS

FINANCIAL RISK FACTORS

The Corporation is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest risk). The interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the annual financial statements as at March 31, 2026. The Corporation is not aware of any significant changes to the Corporation's risk factors from those disclosed at that time.

FAIR VALUES

The Corporation has determined that the carrying amount of cash and cash equivalents, trade and other receivables, accounts payable and accrued liabilities and current portion of other liabilities excluding the contingent consideration, and performance share unit and deferred share unit is a reasonable approximation of their fair value due to the short-term maturity of those instruments. As such, information on their fair values is not presented below. The fair value of the credit facilities approximate their carrying value as they bear interest at prime or banker's acceptance rates plus a credit spread, which approximate current rates that could be obtained for debts with similar terms and credit risk. The fair value of derivative financial instruments is determined using an evaluation of the estimated market value, adjusted for the credit quality of the counterparty. The carrying amount of CRTC tangible benefits and balance payable on business acquisitions is a reasonable approximation of their fair value as they are discounted using the effective interest rate, which approximate current rates that could be obtained with similar terms and credit risk. Balance payable on business acquisitions is carried at amortized cost and its fair value is categorized under level 2 and measured based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks.

The tables below summarize the carrying and fair value of financial assets and liabilities, including their level in the fair value hierarchy, as at June 30, 2026 and March 31, 2026. The Corporation uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted price (unadjusted) in active markets for identical assets or liabilities;
Level 2: other techniques for which all inputs that have a significant effect in the recorded value are observable, either directly or indirectly; and
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

As at June 30, 2026	Carrying value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investments	$ 2,100	$ 2,100	$ —	$ —	$ 2,100
Derivative financial instruments	189	189	—	189	—
Financial liabilities measured at amortized cost					
Balance payable on business acquisitions	2,077	2,077	—	$ 2,077	—
Financial liabilities measured at fair value					
Contingent consideration	$ 6,784	$ 6,784	$ —	$ —	$ 6,784
Derivative financial instruments	6,728	6,728	—	6,728	—

As at March 31, 2026	Carrying value	Fair value	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investments	$ 1,975	$ 1,975	$ —	$ —	$ 1,975
Derivative financial instruments	15	15	—	15	—
Financial liabilities measured at amortized cost					
Balance payable on business acquisitions	6,788	6,788	—	$ 6,788	—
Financial liabilities measured at fair value					
Contingent consideration	$ 6,176	$ 6,176	$ —	$ —	$ 6,176
Derivative financial instruments	5,171	5,171	—	5,171	—

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

Fair value measurement (Level 3):

		Investments		Contingent consideration
Three-month period ended June 30, 2025				
Opening amount as at March 31, 2025	$	1,880	$	4,997
Additions		37		—
Change in fair value, including foreign exchange differences		(34)		(2,029)
Balance as at June 30, 2025	$	1,883	$	2,968
Three-month period ended June 30, 2026				
Opening amount as at March 31, 2026	$	1,975	$	6,176
Additions		108		—
Change in fair value, including foreign exchange differences		17		608
Balance as at June 30, 2026	$	2,100	$	6,784

There were no changes in the valuation techniques for the contingent consideration and investments during the three-month periods ended June 30, 2026 and 2025.

INVESTMENTS

The Corporation has equity instruments in private entities at fair value that are estimated using a market comparison technique. The valuation model is based on market multiples derived from quoted price of companies comparable to the investments and the expected EBITDA on the investments.

All equity instruments in private entities are classified as financial assets at fair value through profit and loss.

CONTINGENT CONSIDERATION

The contingent consideration related to business combinations is payable based on the achievement of targets for growth in revenues for a period from the date of the acquisition and upon renewal of client contracts. The fair value measurement of the contingent consideration is determined using unobservable (Level 3) inputs. These inputs include (i) the estimated amount and timing of projected cash flows; and (ii) the risk-adjusted discount rate used to discount the cash flows, which is based on the risk associated with the targets being met. The contingent consideration is classified as a financial liability and is included in other liabilities (note 11). The change in fair value is recognized in net finance expense (income) (note 6).

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

DERIVATIVE FINANCIAL INSTRUMENTS

The Corporation uses derivative financial instruments to manage its interest rate risk on its credit facilities.

The table below summarizes the interest rate contracts effective as at June 30, 2026 and March 31, 2026:

Maturity	Currency	Fixed interest rate (when applicable)	Initial nominal value	Mark-to-market assets (liabilities) as at June 30, 2026	Mark-to-market assets (liabilities) as at March 31, 2026
Swaps					
September 27, 2030	CAD	3.355%	140,000	(3,187)	(3,047)
September 29, 2028	CAD	3.300%	30,000	(734)	(728)
			$ 170,000	$ (3,921)	$ (3,775)
Interest rate collar					
December 31, 2027	CAD	2.75% - 4.17%	101,428	190	35
				$ 190	$ 35
				$ (3,731)	$ (3,740)

To manage its currency risk, the Corporation entered into foreign exchange forward contracts and options. The table below summarizes the contracts effective as at June 30, 2026 and March 31, 2026:

Maturity	Type	Contract exchange rate	Contractual amount	Mark-to-market assets (liabilities) as at June 30, 2026	Mark-to-market assets (liabilities) as at March 31, 2026
Foreign exchange forward contracts					
0 to 12 months	USD Sale	1.3295 – 1.3836	$ 24,000	$ (1,157)	$ (493)
13 to 24 months	USD Sale	1.3200 – 1.3611	24,000	(719)	(509)
			$ 48,000	$ (1,876)	$ (1,002)

Maturity	Type	Contract exchange rate	Contractual amount	Mark-to-market assets (liabilities) as at June 30, 2026	Mark-to-market assets (liabilities) as at March 31, 2026
Options					
0 to 12 months					
Target forward (TARF)	USD Sale	1.4000 - 1.4120	500 to 24,000	(932)	(414)
			$ 500 to 24,000	$ (932)	$ (414)

(In thousands of Canadian dollars, unless otherwise stated)
(Unaudited)

15. SUBSEQUENT EVENTS

CHUP-FM Calgary

On July 27, 2026, the Company acquired CHUP-FM Calgary from Rawlco Radio Ltd. The total consideration of the transaction is estimated at $6,683, comprising a base purchase price of $5,500, and working capital adjustments and transaction fees of $1,183. No debt was assumed in this transaction. The initial accounting for the business combination is incomplete at the time these financial statements are authorized for issue.

Dividend

On August 7, 2026, the Corporation declared a dividend of $0.085 per subordinate voting share, variable subordinate voting share and multiple voting share. The dividend will be payable on or around September 15, 2026, to shareholders on record as of August 31, 2026.

16. BASIS OF PREPARATION

a) Statement of compliance:

These interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") on a basis consistent with those accounting policies followed by the Corporation in the most recent audited consolidated annual financial statements. These interim consolidated financial statements have been prepared on a form in accordance with IAS 34 "Interim Financial Reporting". Accordingly, certain information, in particular the accompanying notes, normally included in the consolidated annual financial statements prepared in accordance with IFRS, has been omitted or condensed. Income taxes in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss. These interim consolidated financial statements should be read in conjunction with the consolidated annual financial statements and the note thereto for the year ended March 31, 2026.

The interim consolidated financial statements were authorized for issue by the Board of Directors on August 7, 2026.

b) Use of estimates and judgments:

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim consolidated financial statements, the significant judgments made by management in applying the Corporation's accounting policies and the key sources of information were the same as the ones applied to the audited consolidated financial statements for the year ended March 31, 2026.

c) Functional and presentation currency:

These interim consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

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