MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

Three and nine-month periods ended May 31, 2025

1. Forward-looking statements

Certain statements contained in this Management's Discussion and Analysis ("MD&A") may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to Cogeco Inc.'s ("Cogeco" or the "Corporation") future outlook and anticipated events, business, operations, financial performance, financial condition or results and, in some cases, can be identified by terminology such as "may"; "will"; "should"; "expect"; "plan"; "anticipate"; "believe"; "intend"; "estimate"; "predict"; "potential"; "continue"; "foresee"; "ensure" or other similar expressions concerning matters that are not historical facts. Particularly, statements relating to the Corporation's financial guidelines, future operating results and economic performance, objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, purchase price allocation, tax rates, weighted average cost of capital, performance and business prospects and opportunities, which Cogeco believes are reasonable as of the current date. Refer in particular to the "Corporate objectives and strategy" and "Fiscal 2025 financial guidelines" sections of the Corporation's fiscal 2024 annual MD&A, and the "Fiscal 2025 revised financial guidelines" section of the current MD&A for a discussion of certain key economic, market and operational assumptions we have made in preparing forward-looking statements. While management considers these assumptions to be reasonable based on information currently available to the Corporation, they may prove to be incorrect. Forward-looking information is also subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what Cogeco currently expects. These factors include risks such as general market conditions, competitive risks (including changing competitive and technology ecosystems and disruptive competitive strategies adopted by our competitors), business risks, regulatory risks, tax risks, technology risks (including cybersecurity), financial risks (including variations in currency and interest rates), economic conditions (including inflation pressuring revenue, trade tariffs, reduced consumer spending and increasing costs), talent management risks (including the highly competitive market for a limited pool of digitally skilled employees), human-caused and natural threats to the Corporation's network (including increased frequency of extreme weather events with the potential to disrupt operations), infrastructure and systems, sustainability and sustainability reporting risks, ethical behavior risks, ownership risks, litigation risks and public health and safety, many of which are beyond the Corporation's control. Moreover, the Corporation's radio operations are significantly exposed to advertising budgets from the retail industry, which can fluctuate due to increased competition and changing economic conditions. For more exhaustive information on these risks and uncertainties, the reader should refer to the "Uncertainties and main risk factors" section of the Corporation's fiscal 2024 annual MD&A and of the current MD&A. These factors are not intended to represent a complete list of the factors that could affect Cogeco and future events and results may vary significantly from what management currently foresees. The reader should not place undue importance on forward-looking information contained in this MD&A and the forward-looking statements contained in this MD&A represent Cogeco's expectations as of the date of this MD&A (or as of the date they are otherwise stated to be made) and are subject to change after such date. While management may elect to do so, the Corporation is under no obligation (and expressly disclaims any such obligation) and does not undertake to update or alter this information at any particular time, whether as a result of new information, future events or otherwise, except as required by law.

All amounts are stated in Canadian dollars unless otherwise indicated. This report should be read in conjunction with the Corporation's condensed interim consolidated financial statements and the notes thereto for the three and nine-month periods ended May 31, 2025 prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the Corporation's fiscal 2024 Annual Report.

In preparing this MD&A, the Corporation has taken into account information available up to July 15, 2025, the date of this MD&A, unless otherwise indicated. Additional information relating to the Corporation, including its fiscal 2024 Annual Report and Annual Information Form, is available on SEDAR+ at www.sedarplus.ca or on the Corporation's website at corpo.cogeco.com.

2. Financial highlights

Three and nine months ended May 31	2025	2024 [1]	Change	Change in constant currency [2][3]	2025	2024 [1]	Change	Change in constant currency [2][3]
(In thousands of Canadian dollars, except % and per share data)	$	$	%	%	$	$	%	%
Operations								
Revenue	**758,527**	777,249	(2.4)	(3.9)	**2,276,734**	2,305,329	(1.2)	(2.8)
Adjusted EBITDA [3]	**367,828**	369,786	(0.5)	(2.0)	**1,095,817**	1,083,601	1.1	(0.4)
Acquisition, integration, restructuring and other costs	**8,996**	46,634	(80.7)		**7,992**	51,121	(84.4)	
Profit for the period	**73,962**	75,285	(1.8)		**258,968**	267,944	(3.3)	
Profit for the period attributable to owners of the Corporation	**20,504**	18,960	8.1		**68,485**	77,498	(11.6)	
Adjusted profit attributable to owners of the Corporation [3][4]	**23,146**	29,102	(20.5)		**70,696**	93,486	(24.4)	
Cash flow								
Cash flows from operating activities	**401,375**	335,126	19.8		**860,110**	858,427	0.2	
Free cash flow [1][3]	**147,535**	90,164	63.6	61.9	**412,791**	332,710	24.1	23.0
Free cash flow, excluding network expansion projects [1][3]	**160,820**	114,597	40.3	38.9	**463,448**	413,193	12.2	11.3
Acquisition of property, plant and equipment	**126,223**	172,404	(26.8)		**440,072**	507,427	(13.3)	
Net capital expenditures [3][5]	**125,752**	169,754	(25.9)	(27.2)	**435,527**	488,177	(10.8)	(12.5)
Net capital expenditures, excluding network expansion projects [3]	**112,467**	145,321	(22.6)	(24.0)	**384,870**	407,694	(5.6)	(7.6)
Per share data [6]								
Earnings per share								
Basic	**2.16**	1.99	8.5		**7.21**	6.58	9.6	
Diluted	**2.13**	1.97	8.1		**7.10**	6.52	8.9	
Adjusted diluted [3][4]	**2.40**	3.02	(20.5)		**7.33**	7.87	(6.9)	
Dividends per share	**0.922**	0.854	8.0		**2.766**	2.562	8.0	

(1) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Proceeds from sale and leaseback and other disposals of property, plant and equipment amounted to $2.2 million and $22.7 million for the three and nine-month periods ended May 31, 2025, respectively ($0.9 million and $2.8 million, respectively, for the same periods of fiscal 2024). Comparative figures were restated to conform to the current presentation. For further details, please refer to the "Non-IFRS Accounting Standards and other financial measures" section of this MD&A.

(2) Key performance indicators presented on a constant currency basis are obtained by translating financial results from the current periods denominated in US dollars at the foreign exchange rates of the comparable periods of the prior year. For the three and nine-month periods ended May 31, 2024, the average foreign exchange rates used for translation were 1.3628 USD/CDN and 1.3578 USD/CDN, respectively.

(3) Adjusted EBITDA and net capital expenditures are total of segments measures. Adjusted profit attributable to owners of the Corporation, free cash flow, free cash flow, excluding network expansion projects and net capital expenditures, excluding network expansion projects are non-IFRS Accounting Standards measures. Change in constant currency and adjusted diluted earnings per share are non-IFRS Accounting Standards ratios. These indicated terms do not have standardized definitions prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on these financial measures, including references to the specific sections within the MD&A, as applicable, for the reconciliations to the most directly comparable IFRS Accounting Standards measures, please consult the "Non-IFRS Accounting Standards and other financial measures" section of this MD&A.

(4) Excludes the impact of non-cash impairment charges, acquisition, integration, restructuring and other costs, and gains/losses on debt modification and/or extinguishment, all net of tax and non-controlling interest.

(5) Net capital expenditures exclude non-cash acquisitions of right-of-use assets and the purchases, and related borrowing costs, of spectrum licences, and are presented net of government subsidies, including the utilization of those received in advance.

(6) Per multiple and subordinate voting share.

As at	**May 31, 2025**	August 31, 2024
(In thousands of Canadian dollars)	**$**	$
Financial condition		
Cash and cash equivalents	**245,708**	77,746
Total assets	**9,966,623**	9,773,739
Long-term debt		
Current	**340,440**	370,108
Non-current	**4,596,247**	4,594,057
Net indebtedness [1]	**4,740,446**	4,957,594
Equity attributable to owners of the Corporation	**853,785**	810,437

(1) Net indebtedness is a capital management measure. For more information on this financial measure, please consult the "Non-IFRS Accounting Standards and other financial measures" section of this MD&A.

3. Overview of the business

Cogeco is a diversified holding corporation which operates in the telecommunications and media sectors. Its Cogeco Communications Inc. ("Cogeco Communications") subsidiary provides Internet, video and wireline phone services to residential and business customers in Canada and in the United States. More recently, Cogeco Communications has expanded its services to also offer wireless services in most of the U.S. states in which it operates, and expects to soon expand wireless services in several Canadian markets within its broadband footprint. Through Cogeco Media, it operates 21 radio stations in Canada, primarily in the province of Québec, as well as a news agency. The Corporation's results are reported in two operating segments: Canadian telecommunications and American telecommunications.

3.1 Business developments

Canadian wireless launch underway, progressively expanding into 12 Canadian markets over the coming weeks

Cogeco Communications expects to ramp up its wireless customer base in Canada over the coming weeks, adding to its prior launch of a similar service in the U.S. last year. A first cohort is already using the wireless service, which will be progressively expanded to cover 12 Canadian markets (Alma, Magog, Rimouski, Saint-Georges, Saint-Hyacinthe, Saint-Sauveur and Trois-Rivières in Québec, and Brockville, Chatham, Cobourg, Cornwall and Welland in Ontario) over the coming weeks, in anticipation of a full geographic deployment in the fall season. Wireless will become a powerful tool to retain and grow its North American wireline customer base over time.

Ongoing transformation of Cogeco Communications' combined Canadian and U.S. telecommunications teams

Cogeco Communications pursued its three-year transformation program to improve its agility and competitiveness, driven by a focus on operational optimization, advanced analytics, digital, and an elevated customer experience. This transformation started with the combination of the commercial, operational and technical functions of its Canadian and U.S. telecommunications businesses into a simpler, more efficient North American organization with a streamlined cost structure.

Board of Directors' composition

On June 12, 2025, Ms. Caroline Papadatos resigned as a member of the Corporation's Board of Directors and as Chair of the Human Resources Committee. The Board of Directors extends its gratitude to Ms. Papadatos for her contributions during her tenure. Following Ms. Papadatos' resignation, the Board is now comprised of seven (7) directors. The Board has appointed Mr. James C. Cherry as Chair of the Human Resources Committee.

3.2 Operating environment

The Corporation operates in an industry that provides essential services to residential and commercial consumers and is known for its resilience during various economic cycles. However, due to greater competitive intensity and changing video subscriber trends, the Corporation expects sustained pressure on its revenue and operating costs. In addition, adverse economic conditions, including the impact of the U.S. trade tariffs on the greater macroeconomic environment, for which the situation is constantly evolving, may cause customers to reduce or delay discretionary spending and/or result in higher costs and supply chain disruptions, which may pressure the Corporation's revenue and/or operating costs. To sustain its growth, the Corporation announced last year the adoption of a new operating model and a three-year transformation program centered on synergies, digitization, advanced analytics, network expansion and wireless, as well as transforming its radio business.

The Corporation's results discussed herein may not be indicative of future operational trends and financial performance. Please refer to the "Forward-looking statements" section.

3.3 Key performance indicators

The Corporation measures its financial performance, with regard to its corporate objectives, by monitoring revenue, adjusted EBITDA [(1)], net capital expenditures [(1)] and free cash flow [(1)] on a constant currency basis [(1)]. The Corporation also measures net capital expenditures and free cash flow excluding network expansion projects [(1)] as it provides a common basis for comparing the net capital expenditures to historical net capital expenditures prior to the acceleration of the network expansion projects and for assessing the impact of the network expansion projects on the net capital expenditures and free cash flow.

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(1) Adjusted EBITDA and net capital expenditures are total of segments measures. Constant currency basis, net capital expenditures, excluding network expansion projects, free cash flow and free cash flow, excluding network expansion projects are non-IFRS Accounting Standards measures. These indicated terms do not have standardized definitions prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on these financial measures, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

Overview

For the first nine months of fiscal 2025, cost reduction initiatives and operating efficiencies across the Corporation as a result of our ongoing three-year transformation program have contributed to offset pressure on the Corporation's revenue, as the Canadian and American telecommunications segments face headwinds in the context of a competitive environment.

During the first nine months of fiscal 2025, the Corporation continued its network expansion activities primarily in Ontario, connecting more homes and businesses to its fibre-to-the-home networks, and in several U.S. states. The Corporation added close to 25,700 homes passed during the first nine months of fiscal 2025, primarily in Canada, often in partnership with governments, to bring fibre-to-the-home high-speed Internet to unserved and underserved rural areas.

For the remainder of fiscal 2025, we expect additional pressure on the Corporation's revenue, particularly in the United States, driven by increased competition. As part of its three-year transformation program, the Corporation has initiated several cost reduction initiatives and operating efficiencies across the organization in order to minimize the revenue impact on adjusted EBITDA. Additionally, net capital expenditures are expected to be lower than under the previous financial guidelines, partially resulting from operational efficiencies following the combination of the Canadian and U.S. management teams.

Consequently, compared to fiscal 2024, on a constant currency and consolidated basis, we are lowering Cogeco's revenue projections for fiscal 2025 to a low single digit decline, while adjusted EBITDA is expected to remain stable. In addition, due to some better-than-anticipated transformation-related cost savings and lower expected net capital expenditures, we are increasing the Corporation's free cash flow financial guidelines, from a decrease compared to fiscal 2024 to a stable free cash flow, while reducing net capital expenditures projections.

Refer to the "Fiscal 2025 revised financial guidelines" section for further details. These financial guidelines, including the various assumptions underlying them, contain forward-looking statements concerning the business outlook for Cogeco, and should be read in conjunction with the "Forward-looking statements" section of the Corporation's fiscal 2024 annual MD&A and this present MD&A.

4. Consolidated operating and financial results

4.1 Consolidated performance

Three months ended May 31			**2025**	2024		**Change**
(In thousands of Canadian dollars, except percentages)	**Actual** [1]	Foreign exchange impact	**In constant currency** [2]	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Revenue	**758,527**	(11,224)	**747,303**	777,249	**(2.4)**	**(3.9)**
Operating expenses	**390,699**	(5,932)	**384,767**	407,463	**(4.1)**	**(5.6)**
Adjusted EBITDA	**367,828**	(5,292)	**362,536**	369,786	**(0.5)**	**(2.0)**
Net capital expenditures	**125,752**	(2,162)	**123,590**	169,754	**(25.9)**	**(27.2)**

(1) For the third quarter of fiscal 2025, the average foreign exchange rate used for translation was 1.4069 USD/CDN.

(2) Fiscal 2025 third-quarter in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3628 USD/CDN.

Nine months ended May 31			**2025**	2024		**Change**
(In thousands of Canadian dollars, except percentages)	**Actual** [1]	Foreign exchange impact	**In constant currency** [2]	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Revenue	**2,276,734**	(35,353)	**2,241,381**	2,305,329	**(1.2)**	**(2.8)**
Operating expenses	**1,180,917**	(18,930)	**1,161,987**	1,221,728	**(3.3)**	**(4.9)**
Adjusted EBITDA	**1,095,817**	(16,423)	**1,079,394**	1,083,601	**1.1**	**(0.4)**
Net capital expenditures	**435,527**	(8,192)	**427,335**	488,177	**(10.8)**	**(12.5)**

(1) For the first nine months of fiscal 2025, the average foreign exchange rate used for translation was 1.4042 USD/CDN.

(2) Fiscal 2025 first nine months in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3578 USD/CDN.

Revenue

Three months ended May 31	**2025**	2024	Change	Change in constant currency	Foreign exchange impact [1]
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**374,900**	381,877	(1.8)	(1.8)	—
American telecommunications	**355,779**	368,706	(3.5)	(6.6)	(11,224)
Cogeco Communications	**730,679**	750,583	(2.7)	(4.1)	(11,224)
Other	**27,848**	26,666	4.4	4.4	—
Consolidated	**758,527**	777,249	(2.4)	(3.9)	(11,224)

(1) Foreign exchange impact is a non-IFRS Accounting Standards measure. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, including references to the specific sections within the MD&A, as applicable, for the reconciliations to the most directly comparable IFRS Accounting Standards measures, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

Nine months ended May 31	**2025**	2024	Change	Change in constant currency	Foreign exchange impact [1]
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**1,122,377**	1,131,804	(0.8)	(0.8)	—
American telecommunications	**1,079,423**	1,096,969	(1.6)	(4.8)	(35,353)
Cogeco Communications	**2,201,800**	2,228,773	(1.2)	(2.8)	(35,353)
Other	**74,934**	76,556	(2.1)	(2.1)	—
Consolidated	**2,276,734**	2,305,329	(1.2)	(2.8)	(35,353)

(1) Foreign exchange impact is a non-IFRS Accounting Standards measure. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, including references to the specific sections within the MD&A, as applicable, for the reconciliations to the most directly comparable IFRS Accounting Standards measures, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

For the third quarter of fiscal 2025, revenue decreased by 2.4% (3.9% in constant currency). The decrease in constant currency is mainly due to:

- a decline in the American telecommunications segment's subscriber base, especially for entry-level services, and a higher proportion of customers subscribing to Internet-only services; and
- lower revenue in the Canadian telecommunications segment, mainly due to a lower revenue per customer as a result of a decline in video and wireline phone service subscribers as an increasing proportion of customers subscribe to Internet-only services, as well as a competitive pricing environment, partly offset by the cumulative effect of high-speed Internet service additions over the past year; partly offset by
- higher revenue in the media activities, helped in part by ongoing growth of our digital advertising solutions and strong listener engagement.

For the first nine months of fiscal 2025, revenue decreased by 1.2% (2.8% in constant currency). The decrease in constant currency is mainly due to lower revenue in both the American and Canadian telecommunications segments, for the same factors noted above, as well as in the media activities as competitive dynamics in the radio advertising market remain challenging, partially offset by revenue, within the Canadian telecommunications segment, from the Niagara Regional Broadband Network ("NRBN") acquisition, which was completed on February 5, 2024.

Operating expenses

Three months ended May 31	2025	2024	Change	Change in constant currency	Foreign exchange impact
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**176,281**	180,204	(2.2)	(2.4)	(387)
American telecommunications	**178,325**	190,327	(6.3)	(9.2)	(5,543)
Corporate and eliminations	**8,774**	8,990	(2.4)	(2.4)	(2)
Cogeco Communications	**363,380**	379,521	(4.3)	(5.8)	(5,932)
Other	**27,319**	27,942	(2.2)	(2.2)	—
Consolidated	**390,699**	407,463	(4.1)	(5.6)	(5,932)

Nine months ended May 31	2025	2024	Change	Change in constant currency	Foreign exchange impact
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**531,788**	535,018	(0.6)	(0.8)	(1,118)
American telecommunications	**545,448**	574,070	(5.0)	(8.1)	(17,798)
Corporate and eliminations	**25,708**	32,075	(19.9)	(19.9)	(14)
Cogeco Communications	**1,102,944**	1,141,163	(3.3)	(5.0)	(18,930)
Other	**77,973**	80,565	(3.2)	(3.2)	—
Consolidated	**1,180,917**	1,221,728	(3.3)	(4.9)	(18,930)

For the third quarter and the first nine months of fiscal 2025, operating expenses decreased by 4.1% and 3.3% (5.6% and 4.9% in constant currency), respectively. The decrease in constant currency is mainly driven by cost reduction initiatives and operating efficiencies across the Corporation as a result of our ongoing three-year transformation program, in addition to:

- reduced video service costs resulting from a decline in TV subscriptions in the American telecommunications segment; partly offset by
- higher operating expenses in the Canadian telecommunications segment, in part to drive subscriber growth, and due to higher technology licensing costs.

In addition, the decrease for the first nine months of fiscal 2025 was also due to a $2.6 million gain on disposals of certain property, plant and equipment recognized during the first quarter of fiscal 2025 within the Canadian telecommunications segment, offset in part by higher operating expenses from the NRBN acquisition.

Adjusted EBITDA

Three months ended May 31	2025	2024	Change	Change in constant currency	Foreign exchange impact
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**198,619**	201,673	(1.5)	(1.3)	387
American telecommunications	**177,454**	178,379	(0.5)	(3.7)	(5,681)
Corporate and eliminations	**(13,696)**	(14,228)	3.7	3.8	2
Cogeco Communications	**362,377**	365,824	(0.9)	(2.4)	(5,292)
Other	**5,451**	3,962	37.6	37.6	—
Consolidated	**367,828**	369,786	(0.5)	(2.0)	(5,292)

Nine months ended May 31	**2025**	2024	Change	Change in constant currency	Foreign exchange impact
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Canadian telecommunications	**590,589**	596,786	(1.0)	(0.9)	1,118
American telecommunications	**533,975**	522,899	2.1	(1.2)	(17,555)
Corporate and eliminations	**(40,473)**	(47,789)	15.3	15.3	14
Cogeco Communications	**1,084,091**	1,071,896	1.1	(0.4)	(16,423)
Other	**11,726**	11,705	0.2	0.2	—
Consolidated	**1,095,817**	1,083,601	1.1	(0.4)	(16,423)

For the third quarter of fiscal 2025, adjusted EBITDA decreased by 0.5% (2.0% in constant currency). For the first nine months of fiscal 2025, adjusted EBITDA increased by 1.1% (decrease of 0.4% in constant currency). The decrease in constant currency in both periods is mainly due to lower revenue in both the American and Canadian telecommunications segments, offset in part by lower operating expenses driven by cost reduction initiatives and operating efficiencies across the Corporation, as explained above.

Net capital expenditures

Three months ended May 31			**2025**	2024		**Change**
	Actual	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
(In thousands of Canadian dollars, except percentages)	**$**	$	**$**	$	**%**	**%**
Canadian telecommunications	**64,295**	(346)	**63,949**	91,093	**(29.4)**	**(29.8)**
American telecommunications	**57,612**	(1,812)	**55,800**	72,782	**(20.8)**	**(23.3)**
Corporate and eliminations	**3,555**	(4)	**3,551**	4,509	**(21.2)**	**(21.2)**
Cogeco Communications	**125,462**	(2,162)	**123,300**	168,384	**(25.5)**	**(26.8)**
Capital intensity	**17.2 %**			22.4 %		
Other	**290**	—	**290**	1,370	**(78.8)**	**(78.8)**
Consolidated	**125,752**	(2,162)	**123,590**	169,754	**(25.9)**	**(27.2)**

Nine months ended May 31			**2025**	2024		**Change**
	Actual	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
(In thousands of Canadian dollars, except percentages)	**$**	$	**$**	$	**%**	**%**
Canadian telecommunications	**212,564**	(1,046)	**211,518**	285,274	**(25.5)**	**(25.9)**
American telecommunications	**211,741**	(7,131)	**204,610**	191,490	**10.6**	**6.9**
Corporate and eliminations	**9,697**	(15)	**9,682**	8,816	**10.0**	**9.8**
Cogeco Communications	**434,002**	(8,192)	**425,810**	485,580	**(10.6)**	**(12.3)**
Capital intensity	**19.7 %**			21.8 %		
Other	**1,525**	—	**1,525**	2,597	**(41.3)**	**(41.3)**
Consolidated	**435,527**	(8,192)	**427,335**	488,177	**(10.8)**	**(12.5)**

Net capital expenditures and capital intensity, excluding network expansion projects

Three months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	Actual	Foreign exchange impact	In constant currency	Actual	Actual	In constant currency
	$	$	$	$	%	%
Net capital expenditures	125,462	(2,162)	123,300	168,384	(25.5)	(26.8)
Net capital expenditures in connection with network expansion projects	13,285	(74)	13,211	24,433	(45.6)	(45.9)
Cogeco Communications	112,177	(2,088)	110,089	143,951	(22.1)	(23.5)
Capital intensity, excluding network expansion projects [1]	15.4 %			19.2 %		
Other	290	—	290	1,370	(78.8)	(78.8)
Consolidated	112,467	(2,088)	110,379	145,321	(22.6)	(24.0)

(1) Capital intensity, excluding network expansion projects is a non-IFRS Accounting Standards ratio. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

Nine months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	Actual	Foreign exchange impact	In constant currency	Actual	Actual	In constant currency
	$	$	$	$	%	%
Net capital expenditures	434,002	(8,192)	425,810	485,580	(10.6)	(12.3)
Net capital expenditures in connection with network expansion projects	50,657	(163)	50,494	80,483	(37.1)	(37.3)
Cogeco Communications	383,345	(8,029)	375,316	405,097	(5.4)	(7.4)
Capital intensity, excluding network expansion projects [1]	17.4 %			18.2 %		
Other	1,525	—	1,525	2,597	(41.3)	(41.3)
Consolidated	384,870	(8,029)	376,841	407,694	(5.6)	(7.6)

(1) Capital intensity, excluding network expansion projects is a non-IFRS Accounting Standards ratio. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

For the third quarter of fiscal 2025, net capital expenditures decreased by 25.9% (27.2% in constant currency), mainly due to operational efficiencies, lower spending in the Canadian telecommunications segment, partially due to the timing of certain initiatives, as well as lower spending in the American telecommunications segment, mostly due to lower construction activity.

For the first nine months of fiscal 2025, net capital expenditures decreased by 10.8% (12.5% in constant currency), mostly due to operational efficiencies, lower spending in the Canadian telecommunications segment, as explained above, partly offset by higher spending in the American telecommunications segment, mainly resulting from higher customer premise equipment costs. The increase in the American telecommunications segment was offset in part by lower construction activity.

Excluding network expansion projects, net capital expenditures for the third quarter and the first nine months of fiscal 2025 decreased by 22.6% and 5.6% (24.0% and 7.6% in constant currency), respectively.

For the third quarter and the first nine months of fiscal 2025, capital intensity of Cogeco Communications was 17.2% and 19.7%, respectively, compared to 22.4% and 21.8% for the same periods of the prior year. The capital intensity decrease for both periods is mainly due to the lower net capital expenditures. For the third quarter and the first nine months of fiscal 2025, capital intensity, excluding network expansion projects, of Cogeco Communications was 15.4% and 17.4%, respectively, compared to 19.2% and 18.2% for the same periods of the prior year.

4.2 Acquisition, integration, restructuring and other costs

	Three months ended May 31			Nine months ended May 31		
(In thousands of Canadian dollars, except percentages)	**2025**	2024	Change	**2025**	2024	Change
	$	$	%	**$**	$	%
Acquisition and integration costs	**—**	524	—	**154**	978	(84.3)
Restructuring costs [1]	**3,391**	40,451	(91.6)	**9,624**	41,196	(76.6)
Configuration and customization costs related to cloud computing and other arrangements	**3,375**	5,659	(40.4)	**8,673**	13,141	(34.0)
Reversal of costs related to litigation and regulatory decisions	**—**	—	—	**—**	(4,194)	—
Gain on sale and leaseback transactions	**—**	—	—	**(13,844)**	—	—
Other costs [2]	**2,230**	—	—	**3,385**	—	—
	8,996	46,634	(80.7)	**7,992**	51,121	(84.4)

(1) Consists of severance charges, including accelerated share-based compensation expense, and other related costs.

(2) Mainly consists of other costs incurred in connection with certain initiatives undertaken.

For the third quarter of fiscal 2025, acquisition, integration, restructuring and other costs decreased by 80.7%, mainly related to:

- lower restructuring costs incurred, as last year's significantly higher costs were mostly related to severance charges recognized in connection with the strategic transformation announced in May 2024, in addition to severance charges related to other cost optimization initiatives; and
- lower configuration and customization costs related to cloud computing and other arrangements; partly offset by
- other costs incurred in connection with certain initiatives undertaken.

For the first nine months of fiscal 2025, acquisition, integration, restructuring and other costs decreased by 84.4%, resulting mainly from:

- lower restructuring costs incurred, as explained above;
- a $13.8 million non-cash gain recognized during the first quarter of fiscal 2025 in connection with a sale of a building in Ontario, which was leased back for a period of two years, with an option to renew for an additional year; and
- lower configuration and customization costs related to cloud computing and other arrangements; offset in part by
- last year's reversal of a charge of $4.2 million recognized following the Copyright Board decision issued in January 2024 on the redetermination of the 2014-2018 royalty rates; and
- other costs incurred in connection with certain initiatives undertaken.

4.3 Depreciation and amortization

For the third quarter and the first nine months of fiscal 2025, depreciation and amortization expense amounted to $183.6 million and $545.0 million, respectively, an increase of 8.2% and 10.1%, respectively, compared to the same periods of the prior year, mainly due to a change in mix of assets and the appreciation of the US dollar against the Canadian dollar since last year.

4.4 Impairment of property, plant and equipment

During the third quarter of fiscal 2025, non-cash pre-tax impairment charges amounting to $2.6 million, mostly related to assets under construction write-offs, were recognized in connection with further cost optimization initiatives undertaken, in part following the Corporation's strategic partnerships announced last August to facilitate the development of wireless services in Canada under a capital-light operating model, as well as other initiatives in the Corporation's media activities.

4.5 Financial expense

(In thousands of Canadian dollars, except percentages)	Three months ended May 31			Nine months ended May 31		
	2025	2024	Change	**2025**	2024	Change
	$	$	%	**$**	$	%
Interest on long-term debt, excluding interest on lease liabilities	**72,883**	75,706	(3.7)	**218,682**	219,773	(0.5)
Interest on lease liabilities	**1,111**	1,037	7.1	**3,141**	2,548	23.3
Loss on debt extinguishment [1]	**—**	—	—	**—**	16,880	—
Change in fair value of forward contracts [2]	**10,796**	—	—	**10,796**	—	—
Net foreign exchange loss (gain)	**(1,141)**	2,927	—	**(2,208)**	(543)	—
Interest and other income	**(1,743)**	(3,645)	(52.2)	**(7,337)**	(7,713)	(4.9)
Capitalized borrowing costs [3]	**(4,886)**	(9,506)	(48.6)	**(15,095)**	(10,510)	43.6
Other	**1,118**	590	89.5	**3,048**	1,776	71.6
Financial expense	**78,138**	67,109	16.4	**211,027**	222,211	(5.0)
Loss on debt extinguishment [1]	**—**	—	—	**—**	(16,880)	—
Adjusted financial expense [4]	**78,138**	67,109	16.4	**211,027**	205,331	2.8

(1) In connection with the prepayment of Tranche 1 of the Senior Secured Term Loan B Facility and the amendment of the Senior Secured Revolving Facility in September 2023.

(2) In connection with foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes, please refer to sub-section 9.5 "Financial risk management".

(3) Mainly in connection with debt incurred for the purchase of spectrum licences and the construction of certain networks.

(4) Adjusted financial expense, which excludes gains/losses on debt modification and/or extinguishment, is a non-IFRS Accounting Standards measure. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

For the third quarter of fiscal 2025, financial expense increased by 16.4%, mainly due to:

- a $10.8 million unrealized loss on foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes;
- lower capitalized interest, mostly due to last year's capitalized interest recognized during the third quarter of fiscal 2024 in connection with debt incurred for previously acquired spectrum licences;
- higher interest expense following the issuance of the $325 million Senior Secured Notes - Series 3 in February 2025; and
- the appreciation of the US dollar against the Canadian dollar; partly offset by
- lower usage under the revolving facilities compared to last year.

For the first nine months of fiscal 2025, financial expense decreased by 5.0%, mostly due to:

- last year's non-cash loss on debt extinguishment of $16.9 million recognized following the prepayment of the US$1.6 billion Tranche 1 of the Senior Secured Term Loan B Facility and the amendment of the Senior Secured Revolving Facility in September 2023;
- lower usage under the revolving facilities compared to last year; and
- higher capitalized interest recognized, mainly in connection with debt incurred for the construction of certain networks, as well as for the purchase of spectrum licences; partly offset by
- higher interest expense following the issuance of the $275 million Senior Unsecured Notes in February 2024 and the $325 million Senior Secured Notes - Series 3 in February 2025;
- a $10.8 million unrealized loss on foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes; and
- the appreciation of the US dollar against the Canadian dollar.

Excluding last year's non-cash loss on debt extinguishment, financial expense for the first nine months of fiscal 2025 increased by 2.8%.

4.6 Income taxes

(In thousands of Canadian dollars, except percentages)	Three months ended May 31			Nine months ended May 31		
	2025	2024	Change	**2025**	2024	Change
	$	$	%	**$**	$	%
Current	**11,551**	3,390	—	**35,882**	20,313	76.6
Deferred	**9,049**	7,782	16.3	**34,389**	27,233	26.3
Income taxes	**20,600**	11,172	84.4	**70,271**	47,546	47.8
Effective income tax rate	**21.8 %**	12.9 %	69.0	**21.3 %**	15.1 %	41.1

For the third quarter and the first nine months of fiscal 2025, income tax expense increased by 84.4% and 47.8%, respectively, mainly due to:

- the impact of the Pillar Two global minimum tax and other recent changes in tax legislation, which applied to the Corporation starting on September 1st, 2024; and
- lower tax benefits related to financing costs in connection with past acquisitions.

Current income taxes were higher in the third quarter and the first nine months of fiscal 2025 compared to the same periods of the prior year, mainly resulting from the impact of the Pillar Two global minimum tax and other recent changes in tax legislation, as mentioned above, offset in part by the variation in temporary differences, in addition to, for the first nine months of fiscal 2025, a favorable adjustment recorded in the second quarter of fiscal 2025 which related to the prior year.

4.7 Profit for the period

(In thousands of Canadian dollars, except percentages and earnings per share)	Three months ended May 31			Nine months ended May 31		
	2025	2024	Change	**2025**	2024	Change
	$	$	%	**$**	$	%
Profit for the period	**73,962**	75,285	(1.8)	**258,968**	267,944	(3.3)
Profit for the period attributable to owners of the Corporation	**20,504**	18,960	8.1	**68,485**	77,498	(11.6)
Profit for the period attributable to non-controlling interest [1]	**53,458**	56,325	(5.1)	**190,483**	190,446	—
Adjusted profit attributable to owners of the Corporation	**23,146**	29,102	(20.5)	**70,696**	93,486	(24.4)
Basic earnings per share	**2.16**	1.99	8.5	**7.21**	6.58	9.6
Diluted earnings per share	**2.13**	1.97	8.1	**7.10**	6.52	8.9
Adjusted diluted earnings per share	**2.40**	3.02	(20.5)	**7.33**	7.87	(6.9)

(1) At May 31, 2025, the non-controlling interest relates to its participation of approximately 71.6% in the profit for the period attributable to owners of Cogeco Communications in addition to the 21% ownership of Caisse de dépôt et placement du Québec ("CDPQ") in a U.S. subsidiary of Cogeco Communications.

For the third quarter of fiscal 2025, profit for the period decreased by 1.8%, mainly as a result of:

- higher depreciation and amortization expense;
- higher financial expense, mostly due to a pre-tax $10.8 million unrealized loss on foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes;
- higher income tax expense;
- non-cash pre-tax impairment charges of $2.6 million, mostly related to assets under construction write-offs, recognized during the third quarter of fiscal 2025; and
- lower adjusted EBITDA; partly offset by
- lower acquisition, integration, restructuring and other costs, mainly due to last year's restructuring costs recognized during the third quarter of fiscal 2024.

For the third quarter of fiscal 2025, profit for the period attributable to owners of the Corporation increased by 8.1%, reflecting a higher proportional decrease in the profit for the period attributable to non-controlling interest.

For the first nine months of fiscal 2025, profit for the period and profit for the period attributable to owners of the Corporation decreased by 3.3% and 11.6%, respectively, mostly resulting from:

- higher depreciation and amortization expense;
- higher income tax expense; and
- non-cash pre-tax impairment charges of $2.6 million recognized during the third quarter of fiscal 2025, as explained above; partly offset by
- lower acquisition, integration, restructuring and other costs, mainly due to last year's restructuring costs recognized during the third quarter of fiscal 2024, as well as a pre-tax $13.8 million non-cash gain recognized during the first quarter of fiscal 2025 in connection with a sale and leaseback transaction of a building in Ontario;
- higher adjusted EBITDA as reported; and
- lower financial expense.

In addition, the decrease in profit for the period attributable to owners of the Corporation for the first nine months of fiscal 2025 is also reflecting the impact of the reduced ownership in Cogeco Communications following a share repurchase transaction in December 2023.

For the third quarter and the first nine months of fiscal 2025, adjusted profit attributable to owners of the Corporation, which excludes the impact of acquisition, integration, restructuring and other costs, and non-cash impairment charges, as well as the non-cash loss on debt extinguishment recognized in the first quarter of fiscal 2024 (all net of tax and non-controlling interest), decreased by 20.5% and 24.4%, respectively, compared to the same periods of the prior year.

5. Segmented operating and financial results

The Corporation's results are reported in two operating segments: Canadian telecommunications and American telecommunications.

5.1 Canadian telecommunications

Operating and financial results

Three months ended May 31			2025	2024	Change	
(In thousands of Canadian dollars, except percentages)	**Actual** [1]	Foreign exchange impact	**In constant currency** [2]	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Revenue	**374,900**	—	**374,900**	381,877	**(1.8)**	**(1.8)**
Operating expenses	**176,281**	(387)	**175,894**	180,204	**(2.2)**	**(2.4)**
Adjusted EBITDA	**198,619**	387	**199,006**	201,673	**(1.5)**	**(1.3)**
Adjusted EBITDA margin [3]	**53.0 %**			52.8 %		
Net capital expenditures	**64,295**	(346)	**63,949**	91,093	**(29.4)**	**(29.8)**
Capital intensity [3]	**17.1 %**			23.9 %		

(1) For the third quarter of fiscal 2025, the average foreign exchange rate used for translation was 1.4069 USD/CDN.

(2) Fiscal 2025 third-quarter in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3628 USD/CDN.

(3) Adjusted EBITDA margin and capital intensity are supplementary financial measures. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue and capital intensity is calculated as net capital expenditures divided by revenue.

Nine months ended May 31			2025	2024	Change	
(In thousands of Canadian dollars, except percentages)	Actual [1]	Foreign exchange impact	In constant currency [2]	Actual	Actual	In constant currency
	$	$	$	$	%	%
Revenue	**1,122,377**	—	**1,122,377**	1,131,804	**(0.8)**	**(0.8)**
Operating expenses	**531,788**	(1,118)	**530,670**	535,018	**(0.6)**	**(0.8)**
Adjusted EBITDA	**590,589**	1,118	**591,707**	596,786	**(1.0)**	**(0.9)**
Adjusted EBITDA margin [3]	**52.6 %**			52.7 %		
Net capital expenditures	**212,564**	(1,046)	**211,518**	285,274	**(25.5)**	**(25.9)**
Capital intensity [3]	**18.9 %**			25.2 %		

(1) For the first nine months of fiscal 2025, the average foreign exchange rate used for translation was 1.4042 USD/CDN.

(2) Fiscal 2025 first nine months in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3578 USD/CDN.

(3) Adjusted EBITDA margin and capital intensity are supplementary financial measures. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue and capital intensity is calculated as net capital expenditures divided by revenue.

Revenue

For the third quarter and the first nine months of fiscal 2025, revenue decreased by 1.8% and 0.8%, respectively, as reported and in constant currency, mainly resulting from:

- a lower revenue per customer as a result of a decline in video and wireline phone service subscribers as an increasing proportion of customers subscribe to Internet-only services, as well as a competitive pricing environment; partly offset by
- a higher Internet service subscriber base.

In addition, the decrease for the first nine months of fiscal 2025 is also partially offset by revenue from the NRBN acquisition, which was completed on February 5, 2024.

Operating expenses

For the third quarter of fiscal 2025, operating expenses decreased by 2.2% (2.4% in constant currency), mainly resulting from:

- cost reduction initiatives and operating efficiencies, as well as the timing of certain operating expenses; partly offset by
- higher operating expenses, in part to drive subscriber growth, and due to higher technology licensing costs.

For the first nine months of fiscal 2025, operating expenses decreased by 0.6% (0.8% in constant currency), mainly due to:

- cost reduction initiatives and operating efficiencies; and
- a $2.6 million gain on disposals of certain property, plant and equipment recognized during the first quarter of fiscal 2025; partly offset by
- higher operating expenses, in part to drive subscriber growth, and due to higher technology licensing costs; and
- the NRBN acquisition.

Adjusted EBITDA

For the third quarter and the first nine months of fiscal 2025, adjusted EBITDA decreased by 1.5% and 1.0% (1.3% and 0.9% in constant currency), respectively, resulting from lower revenue, offset in part by lower operating expenses mainly driven by cost reduction initiatives and operating efficiencies.

Net capital expenditures and capital intensity

For the third quarter and the first nine months of fiscal 2025, net capital expenditures decreased by 29.4% and 25.5% (29.8% and 25.9% in constant currency), respectively, partially due to the timing of certain initiatives.

For the third quarter and the first nine months of fiscal 2025, capital intensity was 17.1% and 18.9%, respectively, compared to 23.9% and 25.2% for the same periods of the prior year. Capital intensity decrease for both periods is mainly due to reduced capital spending, as explained above.

Primary service units and subscriber statistics

		Net additions (losses)		Net additions (losses)	
		Three months ended May 31		Nine months ended May 31	
	May 31, 2025	**2025**	2024 [1]	**2025**	2024 [1] [2]
Primary service units [3]	**1,867,975**	**2,351**	(3,098)	**(1,988)**	(7,312)
Internet service subscribers	**921,178**	**9,429**	5,879	**28,479**	25,598
Video service subscribers	**586,069**	**(4,200)**	(6,006)	**(18,755)**	(22,258)
Wireline phone service subscribers	**360,728**	**(2,878)**	(2,971)	**(11,712)**	(10,652)

(1) During the third quarter of fiscal 2024, primary service units were adjusted following the finalization of the detailed calculation of the number of units acquired from the Niagara Regional Broadband Network acquisition, to include those acquired from it. This change was applied retrospectively to the comparative figures.

(2) Excludes the 4,806 opening primary service units (2,691 Internet, 223 video and 1,892 wireline phone) from the acquisition of Niagara Regional Broadband Network as at February 5, 2024.

(3) Primary service units exclude mobile phone service subscribers.

Primary service units

Internet

Fiscal 2025 third-quarter and first nine months Internet service subscriber net additions of 9,429 and 28,479, respectively, resulted from new subscribers added.

Video

Fiscal 2025 third-quarter and first nine months video service subscriber net losses of 4,200 and 18,755, respectively, were mainly due to ongoing changes in video consumption trends, with an increasing proportion of customers subscribing to Internet-only services, partly offset by additions in network expansion areas.

Wireline phone

Fiscal 2025 third-quarter and first nine months wireline phone service subscriber net losses of 2,878 and 11,712, respectively, were mainly due to higher mobile phone substitution, partly offset by additions in network expansion areas.

Distribution of subscribers

On May 31, 2025, 55% of subscribers in the Canadian telecommunications segment subscribed to two-service or three-service bundles.

Homes passed

For the third quarter and the first nine months of fiscal 2025, homes passed increased by 8,168 and 20,466, respectively.

5.2 American telecommunications

Operating and financial results

Three months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	**Actual** [1]	Foreign exchange impact	**In constant currency** [2]	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Revenue	**355,779**	(11,224)	**344,555**	368,706	**(3.5)**	**(6.6)**
Operating expenses	**178,325**	(5,543)	**172,782**	190,327	**(6.3)**	**(9.2)**
Adjusted EBITDA	**177,454**	(5,681)	**171,773**	178,379	**(0.5)**	**(3.7)**
Adjusted EBITDA margin [3]	**49.9 %**			48.4 %		
Net capital expenditures	**57,612**	(1,812)	**55,800**	72,782	**(20.8)**	**(23.3)**
Capital intensity [3]	**16.2 %**			19.7 %		

(1) For the third quarter of fiscal 2025, the average foreign exchange rate used for translation was 1.4069 USD/CDN.

(2) Fiscal 2025 third-quarter in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3628 USD/CDN.

(3) Adjusted EBITDA margin and capital intensity are supplementary financial measures. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue and capital intensity is calculated as net capital expenditures divided by revenue.

Nine months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	**Actual** [1]	Foreign exchange impact	**In constant currency** [2]	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Revenue	**1,079,423**	(35,353)	**1,044,070**	1,096,969	**(1.6)**	**(4.8)**
Operating expenses	**545,448**	(17,798)	**527,650**	574,070	**(5.0)**	**(8.1)**
Adjusted EBITDA	**533,975**	(17,555)	**516,420**	522,899	**2.1**	**(1.2)**
Adjusted EBITDA margin [3]	**49.5 %**			47.7 %		
Net capital expenditures	**211,741**	(7,131)	**204,610**	191,490	**10.6**	**6.9**
Capital intensity [3]	**19.6 %**			17.5 %		

(1) For the first nine months of fiscal 2025, the average foreign exchange rate used for translation was 1.4042 USD/CDN.

(2) Fiscal 2025 first nine months in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3578 USD/CDN.

(3) Adjusted EBITDA margin and capital intensity are supplementary financial measures. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue and capital intensity is calculated as net capital expenditures divided by revenue.

Revenue

For the third quarter and the first nine months of fiscal 2025, revenue decreased by 3.5% and 1.6% (6.6% and 4.8% in constant currency), respectively. The decrease in constant currency in both periods is mainly due to a decline in the segment's subscriber base, especially for entry-level services, and to a higher proportion of customers subscribing to Internet-only services.

In local currency, revenue amounted to US$252.8 million and US$768.9 million, respectively, compared to US$270.5 million and US$807.9 million for the same periods of fiscal 2024.

Operating expenses

For the third quarter and the first nine months of fiscal 2025, operating expenses decreased by 6.3% and 5.0% (9.2% and 8.1% in constant currency), respectively. The decrease in constant currency in both periods is primarily due to:

- cost reduction initiatives and operating efficiencies; and
- reduced video service costs resulting from a decline in TV subscriptions.

Adjusted EBITDA

For the third quarter of fiscal 2025, adjusted EBITDA decreased by 0.5% (3.7% in constant currency). For the first nine months of fiscal 2025, adjusted EBITDA increased by 2.1% (decrease of 1.2% in constant currency). The decrease in constant currency in both periods is mainly due to lower revenue offset in part by lower operating expenses driven by cost reduction initiatives and operating efficiencies.

In local currency, adjusted EBITDA amounted to US$126.1 million and US$380.3 million, respectively, compared to US$130.9 million and US$385.0 million for the same periods of fiscal 2024.

Net capital expenditures and capital intensity

For the third quarter of fiscal 2025, net capital expenditures decreased by 20.8% (23.3% in constant currency) and capital intensity was 16.2% compared to 19.7% for the same period of fiscal 2024, mostly due to lower construction activity.

For the first nine months of fiscal 2025, net capital expenditures increased by 10.6% (6.9% in constant currency) and capital intensity was 19.6% compared to 17.5% for the same period of fiscal 2024, mainly resulting from higher customer premise equipment costs, partly offset by lower construction activity.

In local currency, net capital expenditures amounted to US$41.1 million and US$150.9 million, respectively, compared to US$53.4 million and US$141.0 million for the same periods of fiscal 2024.

Primary service units and subscriber statistics

		Net additions (losses)		Net additions (losses)	
		Three months ended May 31		Nine months ended May 31	
	May 31, 2025	**2025**	2024	**2025**	2024
Primary service units [1]	**977,681**	**(19,454)**	(17,734)	**(52,314)**	(49,618)
Internet service subscribers	**622,411**	**(10,425)**	(7,897)	**(21,188)**	(19,432)
Video service subscribers	**240,259**	**(5,413)**	(6,192)	**(21,052)**	(20,134)
Wireline phone service subscribers	**115,011**	**(3,616)**	(3,645)	**(10,074)**	(10,052)

(1) Primary service units exclude mobile phone service subscribers.

Primary service units

Internet

Fiscal 2025 third-quarter and first nine months Internet service subscriber net losses were 10,425 and 21,188, respectively, of which 1,907 and 4,194 were in Ohio, mainly due to:

- a highly competitive environment, notably for entry-level Internet services; partly offset by
- a reduction in net losses over last year in Ohio, in part due to improved customer management resulting from investments made in the network infrastructure and the proactive replacement of customer IPTV video equipment.

Video

Fiscal 2025 third-quarter and first nine months video service subscriber net losses of 5,413 and 21,052, respectively, were mainly due to:

- the continued promotion of Internet-led offers and a reduced emphasis on stand-alone video service offerings;
- ongoing changes in video consumption trends, with an increasing proportion of customers subscribing to Internet-only services; and
- competitive offers in the industry, including online platforms.

Wireline phone

Fiscal 2025 third-quarter and first nine months wireline phone service subscriber net losses of 3,616 and 10,074, respectively, were mainly due to:

- the continued emphasis on offers that are Internet-led; and
- higher mobile phone substitution.

Distribution of subscribers

On May 31, 2025, 30% of subscribers in the American telecommunications segment subscribed to two or more services bundles. This percentage has decreased from past years due to market trends.

Homes passed

For the third quarter and the first nine months of fiscal 2025, homes passed increased by 1,324 and 5,210, respectively.

6. Related party transactions

As of May 31, 2025, Cogeco held 28.4% of Cogeco Communications' equity shares, representing 79.9% of the votes attached to Cogeco Communications' voting shares.

Cogeco provides executive and administrative services to Cogeco Communications under a Management Services Agreement (the "Agreement"). The methodology used to establish the management fees is based on the costs incurred by Cogeco plus a reasonable mark-up. Provision is made for future adjustments upon the request of either Cogeco Communications or the Corporation from time to time during the term of the Agreement. The following table shows the management fees paid by Cogeco Communications:

	Three months ended May 31		Nine months ended May 31	
	2025	2024	**2025**	2024
	$	$	**$**	$
Management fees paid by Cogeco Communications	**4,922**	5,238	**14,765**	15,714

No direct remuneration is payable to Cogeco's executive officers by Cogeco Communications. The following table provides the number of stock options, incentive share units ("ISUs") and performance share units ("PSUs") granted during the nine-month periods ended May 31, 2025 and 2024 to these executive officers, as executive officers of Cogeco Communications, as well as deferred share units ("DSUs") issued to Board directors of Cogeco, the value of which was charged back to Cogeco:

	Nine months ended May 31	
(In number of units)	**2025**	2024
Stock options	**143,978**	199,487
ISUs	**—**	974
PSUs	**89,991**	30,897
DSUs	**—**	2,368

The following table shows the amounts that Cogeco Communications charged Cogeco with regard to Cogeco Communications' stock options, ISUs and PSUs granted to these executive officers, as well as DSUs issued to Board directors of Cogeco:

	Three months ended May 31		Nine months ended May 31	
	2025	2024	**2025**	2024
(In thousands of Canadian dollars)	**$**	$	**$**	$
Stock options	**190**	346	**577**	671
ISUs	**32**	35	**103**	37
PSUs	**441**	349	**1,169**	692
DSUs	**36**	61	**109**	61
	699	791	**1,958**	1,461

Compensation of key management personnel

Key management personnel is comprised of the members of the Board and of the Management Committee of the Corporation. During the third quarter of fiscal 2024, the Corporation recognized $13.8 million of compensation expense within *Acquisition, integration, restructuring and other costs* in connection with the terms of the separation agreement of certain key management personnel.

Share buyback transaction during the second quarter of fiscal 2024 - repurchases of Rogers holdings in Cogeco and Cogeco Communications

On December 13, 2023, Cogeco and Cogeco Communications entered into a series of transactions pursuant to the sale by Rogers Communications Inc. of its entire holdings in both companies to CDPQ. Cogeco repurchased for cancellation 5,969,390 of its subordinate voting shares from CDPQ for $280.0 million. Concurrently, Cogeco sold 2,266,537 subordinate voting shares of its holding in Cogeco Communications to Cogeco Communications for $116.5 million and 1,423,692 subordinate voting shares to CDPQ for $73.2 million, following the conversion and cancellation of an equivalent number of Cogeco Communications multiple voting shares. The 2,266,537 subordinate voting shares repurchased by Cogeco Communications were repurchased for cancellation.

7. Cash flow analysis

	Three months ended May 31			Nine months ended May 31		
	2025	2024	Change	**2025**	2024	Change
(In thousands of Canadian dollars, except percentages)	**$**	$	%	**$**	$	%
Cash flows from operating activities	**401,375**	335,126	19.8	**860,110**	858,427	0.2
Cash flows used in investing activities	**(126,753)**	(332,535)	(61.9)	**(425,153)**	(761,511)	(44.2)
Cash flows used in financing activities	**(162,518)**	(30,199)	—	**(264,052)**	(405,017)	(34.8)
Effect of exchange rate changes on cash and cash equivalents denominated in a foreign currency	**(8,414)**	255	—	**(2,943)**	(618)	—
Net change in cash and cash equivalents	**103,690**	(27,353)	—	**167,962**	(308,719)	—
Cash and cash equivalents, beginning of the period	**142,018**	82,488	72.2	**77,746**	363,854	(78.6)
Cash and cash equivalents, end of the period	**245,708**	55,135	—	**245,708**	55,135	—

7.1 Operating activities

For the third quarter of fiscal 2025, cash flows from operating activities increased by 19.8%, mainly due to:

- the timing of payments of trade and other payables, and the collection of trade and other receivables; and
- lower income taxes paid, mainly due to income tax refunds received; partly offset by
- higher interest paid.

For the first nine months of fiscal 2025, cash flows from operating activities remained stable, mainly due to:

- the timing of payments of trade and other payables; offset by
- higher restructuring costs paid; and
- the timing of collection of trade and other receivables.

7.2 Investing activities

For the third quarter of fiscal 2025, cash flows used in investing activities decreased by 61.9%, mainly as a result of:

- last year's $152 million final payment made in May 2024 to acquire 99 spectrum licences in the 3800 MHz spectrum auction; and
- the decrease in acquisition of property, plant and equipment.

For the first nine months of fiscal 2025, cash flows used in investing activities decreased by 44.2%, mainly due to:

- last year's $152 million final payment made in May 2024 in addition to a $38 million deposit paid in January 2024 to acquire 99 spectrum licences in the 3800 MHz spectrum auction;
- the decrease in acquisition of property, plant and equipment;
- cash flows used in connection with the acquisition of Niagara Regional Broadband Network last year; and
- net proceeds amounting to $16.5 million received in connection with a sale and leaseback transaction of a building in Ontario during the first quarter of fiscal 2025.

Acquisition of property, plant and equipment

The following table shows the reconciliation between the cash payments for acquisition of property, plant and equipment, as reported within the investing section in the interim consolidated statements of cash flows, and the net capital expenditures, as presented in sub-section 4.1 "Consolidated performance".

	Three months ended May 31			Nine months ended May 31		
(In thousands of Canadian dollars, except percentages)	**2025** **$**	2024 $	Change %	**2025** **$**	2024 $	Change %
Acquisition of property, plant and equipment	**126,223**	172,404	(26.8)	**440,072**	507,427	(13.3)
Subsidies received in advance recognized as a reduction of the cost of property, plant and equipment during the period	**(471)**	(2,650)	(82.2)	**(4,545)**	(19,250)	(76.4)
Net capital expenditures	**125,752**	169,754	(25.9)	**435,527**	488,177	(10.8)

7.3 Financing activities

Issuance and repayment of debt

For the third quarter and the first nine months of fiscal 2025, changes in cash flows from the issuance and repayment of debt are mainly explained as follows:

	Three months ended May 31		Nine months ended May 31		
(In thousands of Canadian dollars)	**2025** **$**	2024 $	**2025** **$**	2024 $	Explanations
Decrease in bank indebtedness	**(17,163)**	(7,032)	**(14,285)**	(5,154)	Related to the timing of working capital needs.
Net increase (decrease) under revolving facilities	**(35,767)**	22,595	**(333,074)**	76,402	Mainly related to repayment of amounts drawn under Cogeco Communications' Term Revolving Facility using net proceeds from the issuance of the $325 million Senior Secured Notes - Series 3 during the second quarter of fiscal 2025.
Issuance of long-term debt, net of discounts and transaction costs	**490**	188	**323,911**	2,001,646	Mainly related to the issuance of the $325 million Senior Secured Notes - Series 3 in February 2025. Last year's debt issuance was related to the issuance of two Term B loans, a US$775 million 7-year loan and a US$475 million 5-year loan, in connection with the refinancing of the First Lien Credit Facilities in September 2023, and the issuance of the $275 million Senior Unsecured Notes in February 2024 and the Non-Revolving Term Credit Facility in December 2023.
Repayment of notes and credit facilities	**(69,306)**	(8,266)	**(121,138)**	(2,141,472)	Mainly related to the quarterly repayments of the Senior Secured Term Loan B Facility, which included an additional US$45 million in May 2025, to the redemption of the US$25 million Senior Secured Notes Series A upon maturity in September 2024, and to the quarterly repayments of the Non-Revolving Term Credit Facility. Last year's repayment was mainly related to the reimbursement of Tranche 1 of the Senior Secured Term Loan B Facility in September 2023.
Repayment of lease liabilities	**(4,095)**	(2,894)	**(10,735)**	(7,466)	Comparable.
Increase in deferred transaction costs	**(403)**	(617)	**(403)**	(2,537)	Related to the amendment of the term revolving facilities in May 2025. Last year's increase was related to the amendment of the Senior Secured Revolving Facility in September 2023 and of the term revolving facilities in May 2024.
	(126,244)	3,974	**(155,724)**	(78,581)	

Dividends

During the third quarter of fiscal 2025, a quarterly eligible dividend of $0.922 per share was paid to the holders of multiple and subordinate voting shares, totalling $8.7 million, compared to a quarterly eligible dividend of $0.854 per share, or $8.0 million, in the third quarter of fiscal 2024. Dividend payment in the first nine months of fiscal 2025 totalled $2.766 per share, or $26.0 million, compared to $2.562 per share, or $29.3 million, in the prior year.

In addition, dividends paid on subordinate voting shares by a subsidiary to non-controlling interest during the third quarter and the first nine months of fiscal 2025 amounted to $27.6 million and $82.9 million, respectively, compared to $25.5 million and $75.5 million during the same periods of the prior year.

Purchase of subordinate voting shares for cancellation from CDPQ and disposal of shares in Cogeco Communications to CDPQ during the second quarter of fiscal 2024

On December 13, 2023, following a share buyback transaction, Cogeco repurchased for cancellation 5,969,390 of its subordinate voting shares from CDPQ for $280.0 million and concurrently sold 1,423,692 subordinate voting shares of its holding in Cogeco Communications to CDPQ for $73.2 million.

7.4 Free cash flow

Three months ended May 31	**2025** [1]	2024 [2]	Change	Change in constant currency [3]	Foreign exchange impact [3]
(In thousands of Canadian dollars, except percentages)	**$**	$	%	%	$
Adjusted EBITDA	**367,828**	369,786	(0.5)	(2.0)	(5,292)
Share-based payment [4]	**3,353**	7,014	(52.2)		
Proceeds from sale and leaseback and other disposals of property, plant and equipment [2]	**2,188**	888	—		
Gain on disposals and write-offs of property, plant and equipment	**(454)**	(504)	(9.9)		
Defined benefit plans expense, net of contributions	**478**	432	10.6		
Acquisition, integration, restructuring and other costs	**(8,996)**	(46,634)	(80.7)		
Financial expense	**(78,138)**	(67,109)	16.4		
Amortization of deferred transaction costs and discounts on long-term debt [5]	**2,674**	2,329	14.8		
Current income taxes	**(11,551)**	(3,390)	—		
Net capital expenditures	**(125,752)**	(169,754)	(25.9)		
Repayment of lease liabilities	**(4,095)**	(2,894)	41.5		
Free cash flow [2]	**147,535**	90,164	63.6	61.9	(1,552)
Free cash flow, excluding network expansion projects [2]	**160,820**	114,597	40.3	38.9	(1,626)

(1) For the third quarter of fiscal 2025, the average foreign exchange rate used for translation was 1.4069 USD/CDN.

(2) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation. For further details, please refer to the "Non-IFRS Accounting Standards and other financial measures" section.

(3) Fiscal 2025 third-quarter in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3628 USD/CDN.

(4) Fiscal 2024 amount includes an acceleration of non-cash share-based compensation, which was recognized within *Acquisition, integration, restructuring and other costs*.

(5) Included within financial expense.

Nine months ended May 31 *(In thousands of Canadian dollars, except percentages)*	**2025** [1] **$**	2024 [2] $	Change %	Change in constant currency [3] %	Foreign exchange impact [3] $
Adjusted EBITDA	**1,095,817**	1,083,601	1.1	(0.4)	(16,423)
Share-based payment [4]	**5,675**	11,882	(52.2)		
Proceeds from sale and leaseback and other disposals of property, plant and equipment [2]	**22,741**	2,787	—		
Gain on disposals and write-offs of property, plant and equipment, including sale and leaseback transactions [5]	**(18,089)**	(1,088)	—		
Defined benefit plans expense, net of contributions	**1,307**	857	52.5		
Acquisition, integration, restructuring and other costs [5]	**(7,992)**	(51,121)	(84.4)		
Financial expense	**(211,027)**	(222,211)	(5.0)		
Loss on debt extinguishment [6]	**—**	16,880	—		
Amortization of deferred transaction costs and discounts on long-term debt [6]	**6,503**	7,079	(8.1)		
Current income taxes	**(35,882)**	(20,313)	76.6		
Net capital expenditures	**(435,527)**	(488,177)	(10.8)		
Repayment of lease liabilities	**(10,735)**	(7,466)	43.8		
Free cash flow [2]	**412,791**	332,710	24.1	23.0	(3,516)
Free cash flow, excluding network expansion projects [2]	**463,448**	413,193	12.2	11.3	(3,679)

(1) For the first nine months of fiscal 2025, the average foreign exchange rate used for translation was 1.4042 USD/CDN.

(2) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation. For further details, please refer to the "Non-IFRS Accounting Standards and other financial measures" section.

(3) Fiscal 2025 first nine months in constant currency is translated at the average foreign exchange rate of the comparable period of fiscal 2024, which was 1.3578 USD/CDN.

(4) Fiscal 2024 amount includes an acceleration of non-cash share-based compensation, which was recognized within *Acquisition, integration, restructuring and other costs*.

(5) Includes a $13.8 million non-cash gain recognized during the first quarter of fiscal 2025 in connection with a sale of a building in Ontario, which was leased back for a period of two years, with an option to renew for an additional year. On a net basis, the $13.8 million non-cash gain had no impact on the free cash flow.

(6) Included within financial expense.

For the third quarter of fiscal 2025, free cash flow increased by 63.6% (61.9% in constant currency). The variation in constant currency is mainly due to:

- lower net capital expenditures in both the Canadian and American telecommunications segments; and
- lower acquisition, integration, restructuring and other costs, mainly due to last year's restructuring costs recognized during the third quarter of fiscal 2024; partly offset by
- higher financial expense, mostly due to a pre-tax $10.8 million unrealized loss on foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes;
- higher current income taxes; and
- lower adjusted EBITDA.

For the first nine months of fiscal 2025, free cash flow increased by 24.1% (23.0% in constant currency). The variation in constant currency is mostly due to:

- lower net capital expenditures in the Canadian telecommunications segment, offset in part by higher net capital expenditures in the American telecommunications segment;
- lower restructuring costs incurred, included within *Acquisition, integration, restructuring and other costs*, as explained above; and
- net proceeds from disposals of property, plant and equipment, including net proceeds amounting to $16.5 million received during the first quarter of fiscal 2025 in connection with a sale and leaseback transaction of a building in Ontario; partly offset by
- higher current income taxes;
- lower adjusted EBITDA;
- higher repayment of lease liabilities; and
- higher financial expense, net of last year's pre-tax $16.9 million non-cash loss on debt extinguishment recognized in the first quarter of fiscal 2024.

Excluding network expansion projects, free cash flow for the third quarter and the first nine months of fiscal 2025 amounted to $160.8 million and $463.4 million ($159.2 million and $459.8 million in constant currency), respectively, an increase of 40.3% and 12.2% (38.9% and 11.3% in constant currency), respectively, compared to $114.6 million and $413.2 million for the same periods of the prior year.

7.5 Dividend declaration

At its July 15, 2025 meeting, the Board of Directors of Cogeco declared a quarterly eligible dividend of $0.922 per share for multiple and subordinate voting shares, payable on August 12, 2025 to shareholders of record on July 29, 2025. The declaration, amount and date of any future dividend will continue to be considered and approved by the Board of Directors of the Corporation based upon the Corporation's financial condition, results of operations, capital requirements and such other factors as the Board of Directors, at its sole discretion, deems relevant. There is therefore no assurance that dividends will be declared, and if declared, the amount and frequency may vary.

8. Financial position

8.1 Working capital

As part of the usual conduct of its business, Cogeco generally maintains a working capital deficiency, when excluding cash and cash equivalents and bank indebtedness, due to a low level of trade and other receivables since a large proportion of the Corporation's customers pay before their services are rendered, while trade and other payables are usually paid after products are delivered or services are rendered.

(In thousands of Canadian dollars)	**May 31, 2025** **$**	August 31, 2024 $	Change $	Explanations
Current assets				
Cash and cash equivalents	**245,708**	77,746	167,962	Refer to the "Cash flows analysis" section.
Trade and other receivables	**141,069**	131,929	9,140	Mainly related to the timing of collection of trade and other receivables.
Income taxes receivable	**4,027**	16,073	(12,046)	Mainly due to income tax refunds received.
Prepaid expenses and other	**49,730**	40,857	8,873	Mainly related to the increase in prepayments for services agreements.
Derivative financial instruments	**9,094**	3,875	5,219	Mainly related to the interest swap tranches maturing in October 2025 reclassified as current, partly offset by the ones that matured in November 2024.
	449,628	270,480	179,148	
Current liabilities				
Bank indebtedness	**1,114**	15,399	(14,285)	Refer to the "Cash flows analysis" section.
Trade and other payables	**387,986**	376,444	11,542	Mainly related to the timing of sales tax payments and payments made to suppliers, partly offset by lower employee benefits-related accruals.
Provisions	**42,328**	58,882	(16,554)	Mainly related to the payment of restructuring costs previously recognized in connection with the organizational structure announced in May 2024, partly offset by additional programming and restructuring provisions recognized during fiscal 2025.
Income tax liabilities	**22,561**	8,679	13,882	Related to the current income taxes expense for the period, partly offset by the payment of income tax installments.
Contract liabilities and other liabilities	**59,763**	61,736	(1,973)	Not significant.
Government subsidies received in advance	**4,773**	8,740	(3,967)	Not significant.
Derivative financial instruments	**10,821**	240	10,581	Mainly related to the foreign currency forward contracts entered into during the third quarter of fiscal 2025 to partially hedge Cogeco Communications' US exposure associated with the June 2025 repayment of its US$215 million Senior Secured Notes.
Current portion of long-term debt	**340,440**	370,108	(29,668)	Mainly related to the redemption of the US$25 million Senior Secured Notes Series A in September 2024, partly offset by the appreciation of the US dollar against the Canadian dollar.
	869,786	900,228	(30,442)	
Working capital deficiency	**(420,158)**	(629,748)	209,590	

8.2 Other significant changes

(In thousands of Canadian dollars)	May 31, 2025 $	August 31, 2024 $	Change $	Explanations
Non-current assets				
Other assets	**152,650**	138,688	13,962	Mainly related to an increase in sales commissions.
Property, plant and equipment	**3,319,563**	3,340,793	(21,230)	Mainly related to the depreciation expense for the first nine months of fiscal 2025, partly offset by capital investments made during the period and the appreciation of the US dollar against the Canadian dollar.
Intangible assets	**3,848,302**	3,837,794	10,508	Mainly related to the appreciation of the US dollar against the Canadian dollar in addition to the capitalized interest recognized in connection with spectrum licences, partly offset by the amortization for the period.
Goodwill	**2,168,888**	2,132,661	36,227	Mainly related to the appreciation of the US dollar against the Canadian dollar.
Derivative financial instruments	**22,568**	46,539	(23,971)	Mainly related to the interest swap tranches maturing in October 2025 reclassified as current and changes in market interest rates.
Non-current liabilities				
Deferred tax liabilities	**903,444**	867,944	35,500	Mainly related to the timing of temporary differences and the appreciation of the US dollar against the Canadian dollar.

9. Capital resources and liquidity

9.1 Capital structure

The table below summarizes the Corporation's available liquidity:

(In thousands of Canadian dollars)	At May 31, 2025 $	At August 31, 2024 $
Cash and cash equivalents	**245,708**	77,746
Cash with restrictions on use [1]	**(4,773)**	(8,740)
Amounts available under revolving credit facilities [2]	**1,121,489**	787,426
Available liquidity [3]	**1,362,424**	856,432

(1) Included within cash and cash equivalents (see Note 17 C) of the Corporation's condensed interim consolidated financial statements).

(2) Total amount available under the $750 million and $100 million term revolving facilities and the US$250 million Senior Secured Revolving Facility (see Note 18 A) of the Corporation's condensed interim consolidated financial statements).

(3) Available liquidity is a non-IFRS Accounting Standards measure. This indicated term does not have a standardized definition prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on this financial measure, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

The financial covenants related to the indebtedness of Cogeco are primarily based on a ratio of net indebtedness to adjusted EBITDA, computed on the basis of Cogeco Media subsidiary's adjusted EBITDA results, and the dividends and management fees received from Cogeco Communications, net of corporate expenses.

Cogeco Communications

The table below summarizes certain of Cogeco Communications' key ratios used to monitor and manage its capital structure:

	May 31, 2025	August 31, 2024
Weighted average cost of indebtedness [1]	**5.4 %**	5.6 %
Weighted average term: long-term debt (in years)	**4.5**	4.8
Net indebtedness / adjusted EBITDA ratio [2][3]	**3.1**	3.3
Adjusted EBITDA / adjusted financial expense ratio [2][3]	**5.5**	5.5

(1) Excludes amortization of deferred transaction costs and commitment fees but includes the impact of interest rate swaps.

(2) Net indebtedness to adjusted EBITDA ratio and adjusted EBITDA to adjusted financial expense ratio are capital management measures. These indicated terms do not have standardized definitions prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. For more information on these financial measures, please consult the "Non-IFRS Accounting Standards and other financial measures" section.

(3) Calculated on a 12-month trailing basis. Net indebtedness reflects the US denominated debt converted at the exchange rate at the end of the period, while adjusted EBITDA and adjusted financial expense reflect the average exchange rate throughout the corresponding 12-month period.

9.2 Outstanding share data

A description of Cogeco's share data at June 30, 2025 is presented in the table below. Additional details are provided in Note 15 A) of the Corporation's condensed interim consolidated financial statements.

(In thousands of Canadian dollars, except number of shares)	Number of shares	Amount $
Common shares		
Multiple voting shares	**1,602,217**	**10**
Subordinate voting shares	**8,040,562**	**64,347**

9.3 Financing

Senior secured notes

On February 6, 2025, Cogeco Communications completed, pursuant to a private offering, the issuance of $325 million senior secured notes, bearing interest at 4.743% and maturing in February 2035, in order to pre-finance its US$215 million senior secured notes which matured in June 2025. Cogeco Communications used the net proceeds of the offering to repay existing indebtedness and for other general corporate purposes. The senior secured notes are direct and unsubordinated secured debt obligations of Cogeco Communications and rank equally and *pari passu*, with all other secured senior indebtedness of Cogeco Communications. Upon maturity on June 16, 2025, Cogeco Communications redeemed its US$215 million Senior Secured Notes.

Cogeco Communications redeemed its US$25 million Senior Secured Notes Series A upon maturity in September 2024.

Term revolving facilities

On May 29, 2025, the Corporation and Cogeco Communications amended their term revolving facilities of $100 million and $750 million, respectively, by extending their maturity date to May 29, 2030.

Non-revolving facilities

On May 29, 2025, the Corporation amended its Non-Revolving Term Credit Facility by extending its maturity date to May 29, 2028 and slightly increasing the amount drawn by $0.6 million, bringing the outstanding principal to $70 million.

On June 30, 2025, Cogeco Communications proceeded to a first draw of $4.8 million of its Senior Unsecured Non-Revolving Facility, having an aggregate principal amount of up to $38.1 million, for a remaining availability of $33.3 million. The credit facility, which was entered into with the Canada Infrastructure Bank in December 2022, can only be drawn to finance the network expansion projects undertaken in connection with Ontario's Accelerated High Speed Internet Program.

9.4 Cogeco Communications' credit ratings

At May 31, 2025	S&P	DBRS	Moody's
Cogeco Communications			
Senior Secured Notes	**BBB-**	**BBB (low) (stable)**	**NR**
Senior Unsecured Notes	**BB+**	**BB (high) (stable)**	**NR**
Corporate credit issuer rating	**BB+ (negative outlook)**	**BB (high) (stable)**	**NR**
U.S. subsidiaries			
First Lien Credit Facilities	**BB**	**NR**	**B1 (negative outlook)**
Corporate credit issuer rating	**BB (negative outlook)**	**NR**	**B1 (negative outlook)**

NR : Not rated

9.5 Financial risk management

Management's objectives are to protect the Corporation and its subsidiaries against material economic exposures and variability of results, and against certain financial risks including credit, liquidity, interest rate, foreign exchange and market risks which are described in the Corporation's 2024 annual consolidated financial statements.

Credit risk

The lowest credit rating of the counterparties to the derivative financial instruments agreements at May 31, 2025 is "A" by Standard & Poor's rating services ("S&P"). Management monitors its exposure to financial institutions which is primarily in the form of deposits, derivatives and revolver commitments.

Liquidity risk

The following table shows the amount used and remaining availability under the Corporation's and Cogeco Communications' revolving facilities at May 31, 2025:

	Total amount	Amount used	Remaining availability
Corporation			
Term Revolving Facility	$100.0 million	$68.1 million	$31.9 million
Cogeco Communications			
Term Revolving Facility	$750.0 million	$0.3 million	$749.7 million
Senior Secured Revolving Facility - U.S. subsidiaries	$344.0 million	$4.1 million	$339.9 million
	(US$250.0 million)	(US$2.9 million)	(US$247.1 million)

Interest rate risk

On May 31, 2025, all of the Corporation's and Cogeco Communications' long-term debt was at fixed rate, except for the amounts drawn under the Corporation's Term Revolving Facility and Non-Revolving Term Credit Facility, and under Cogeco Communications' First Lien Credit Facilities, which are subject to floating interest rates.

To reduce the risk on the floating interest rate instruments and mitigate the impact of interest rate variations, Cogeco Communications' U.S. subsidiary entered into fixed interest rate swap agreements. The following table shows the interest rate swaps outstanding at May 31, 2025:

Type of hedge	Notional amount	Receive interest rate	Pay interest rate [1]	Maturity	Hedged item
Cash flow [2]	US$550 million	Term SOFR	3.82% - 4.18%	February 2027 - February 2029	Senior Secured Term Loan B - Tranche 3
Cash flow	US$800 million	Term SOFR with a 39 bps floor	1.17% - 1.44%	October 2025 - July 2027	Senior Secured Term Loan B - Tranche 2

(1) Hedges have the effect of converting the floating SOFR base rate into fixed rates, plus an applicable credit spread.

(2) Interest rate swaps amounting to US$250 million matured in November 2024. In December 2024, new fixed interest rate swaps of the same amount were entered into, with maturities ranging from February 2028 to February 2029, and interest rates varying from 3.82% to 3.85%.

A 1% increase (decrease) in the interest rate applicable to the unhedged portion of the floating interest rate facilities would result in an increase (decrease) of approximately $11.2 million in the Corporation's annual financial expense, based on the outstanding debt and swap agreements at May 31, 2025.

Foreign exchange risk

Cogeco Communications faced exposure to foreign exchange risk associated with the June 2025 repayment of its US$215 million Senior Secured Notes. In order to mitigate such risk, during the third quarter of fiscal 2025, Cogeco Communications entered into foreign currency forward contracts to partially hedge its exposure.

Type of relationship	Notional amount	Maturity	Weighted average exchange rate
Economic hedge	US$210.2 million	June 16, 2025	1.4263

During the third quarter of fiscal 2025, a $10.8 million unrealized loss related to these foreign currency forward contracts was recognized within financial expense.

A 1% increase (decrease) in the exchange rate of the US dollar to the Canadian dollar would result in a decrease (increase) of approximately $2.1 million in the Corporation's financial expense, based on the outstanding forward contract agreements at May 31, 2025.

9.6 Foreign currency

For the three and nine-month periods ended May 31, 2025 and 2024, the average rates prevailing used to convert the operating results of the American telecommunications segment were as follows:

	Three months ended May 31		Nine months ended May 31	
	2025	2024	**2025**	2024
	$	$	**$**	$
US dollar vs Canadian dollar	**1.4069**	1.3628	**1.4042**	1.3578

9.7 Contractual obligations, contingencies and guarantees

A summary of the Corporation's material contractual obligations, contingencies and guarantees can be found in the fiscal 2024 annual MD&A, available on SEDAR+ at www.sedarplus.ca and corpo.cogeco.com. The following is an update to the "contractual obligations, contingencies and guarantees" described in the fiscal 2024 annual MD&A.

Final rates for aggregated wholesale Internet access services

On March 27, 2025, the Supreme Court of Canada dismissed the application of an Internet wholesale-based provider for leave to appeal a decision by the Federal Court of Appeal that upheld Telecom Decision CRTC 2021-181, in which the CRTC overturned the 2019 reductions in final rates for aggregated wholesale high-speed Internet access services, and made the interim rates it had previously established in 2016, with certain adjustments, final.

Class action proceedings

On September 20, 2024, an application to authorize the bringing of a class action was filed before the Superior Court of Québec against Cogeco Communications for alleged non-compliant rate increases to Québec-based residential customers since September 20, 2021 pursuant to section 11.2 of the *Consumer Protection Act* (Québec). The application, if authorized, is seeking full reimbursement of the rate increases plus punitive damages. The hearing on the authorization took place on June 26, 2025 and was challenged by Cogeco Communications. Due to the significant uncertainty surrounding the outcome of this application and its financial implications, the Corporation has not recorded any financial impact as at May 31, 2025.

Royalties payable for retransmission of distant television signals

On May 8, 2025, the Federal Court of Appeal granted an appeal by nine collective societies of a decision by the Copyright Board of Canada setting the quantum of royalties payable for the retransmission of distant Canadian and U.S. television over-the-air signals in Canada, for the 2014-2018 period. The Federal Court of Appeal's decision will result in Cogeco Communications being subject to higher royalty rates for that period on a retroactive basis. The Copyright Board has initiated a new proceeding to set the rates for subsequent tariff periods (2019-2023 and 2024-2028). Any decision from the Copyright Board that would align with the copyright collectives' proposed tariff rates for either of such subsequent periods could result in Cogeco Communications being subject to higher royalty rates.

10. Fiscal 2025 revised financial guidelines

The current section contains forward-looking statements concerning the business outlook for Cogeco and Cogeco Communications. For a description of risk factors that could cause actual results to differ materially from what Cogeco and Cogeco Communications expect, please refer to the "Uncertainties and main risk factors" section of the present MD&A and of the Corporation's fiscal 2024 annual MD&A, as well as Cogeco Communications' fiscal 2025 third-quarter and fiscal 2024 annual MD&A.

Cogeco and Cogeco Communications have revised their fiscal 2025 financial guidelines as issued on October 31, 2024 for revenue, net capital expenditures and free cash flow. Cogeco Communications has also revised its capital intensity financial guidelines. Adjusted EBITDA projections remain the same as previously disclosed. The Corporation expects additional pressure on its revenue, particularly in the United States, driven by increased competition. As part of its three-year transformation program, the Corporation has initiated several cost reduction initiatives and operating efficiencies across the organization in order to minimize the revenue impact on adjusted EBITDA. Additionally, net capital expenditures are expected to be lower than under the previous financial guidelines, partially resulting from operational efficiencies following the combination of the Canadian and U.S. management teams.

The Corporation presents its fiscal 2025 revised financial guidelines and those of Cogeco Communications on a constant currency basis and believes this presentation enables an improved understanding of both corporations' underlying financial performance, undistorted by the effects of changes in foreign currency rates. Measures on a constant currency basis are considered non-IFRS Accounting Standards measures and ratios, and do not have any standardized meaning prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures presented by other companies. The financial guidelines exclude the impact from possible business acquisitions and/or disposals, and do not take into consideration unusual adjustments that could result from regulatory environment changes or unforeseeable non-recurring items.

Cogeco

The Corporation's fiscal 2025 revised financial guidelines are mainly driven by those of Cogeco Communications, which are described below.

The following table outlines the Corporation's fiscal 2025 revised financial guidelines ranges compared to fiscal 2024 actual results, on a constant currency and consolidated basis, as well as the previous financial guidelines issued on October 31, 2024:

(In millions of Canadian dollars, except percentages)	**July 15, 2025 Revised projections [1] Fiscal 2025 (constant currency) [2] $**	October 31, 2024 Original projections [1] Fiscal 2025 (constant currency) [2] $	Actual Fiscal 2024 $
Financial guidelines			
Revenue	**Low single digit decline**	Stable	3,074
Adjusted EBITDA	**Stable**	Stable	1,455
Net capital expenditures	**$600 to $650**	$660 to $735	643
Net capital expenditures in connection with network expansion projects	**$110 to $150**	$140 to $190	137
Free cash flow	**Stable** [3]	Decrease of 0% to 10% [3]	476
Free cash flow, excluding network expansion projects	**Stable** [3]	Decrease of 0% to 10% [3]	613

(1) Percentage of changes compared to fiscal 2024.

(2) Fiscal 2025 financial guidelines are based on a USD/CDN constant exchange rate of 1.3606 USD/CDN.

(3) The assumed current income tax effective rate is approximately 11.5% (14% under the previous financial guidelines).

Cogeco Communications

On a constant currency basis, Cogeco Communications expects a low single digit fiscal 2025 revenue decline resulting mostly from a decline in video and wireline phone subscriptions, as well as a competitive pricing environment, while Internet subscribers are expected to grow modestly. On a constant currency basis, fiscal 2025 adjusted EBITDA is anticipated to remain stable compared to the prior year, mainly driven by lower operating expenses from the recent corporate reorganization and other operational improvements, offset by investments into new capabilities as part of a three-year transformation program.

Net capital expenditures are anticipated to be between $600 and $650 million, including net investments of approximately $110 to $150 million in growth-oriented network expansions, which will increase the Corporation's footprint in Canada and the United States. Capital intensity is expected to range between 20.5% and 22.5%, or 16.5% and 18.5% excluding network expansion projects.

Free cash flow and free cash flow, excluding network expansion projects, are expected to remain stable compared to the prior year.

The following table outlines Cogeco Communications' fiscal 2025 revised financial guidelines ranges compared to fiscal 2024 actual results, on a constant currency and consolidated basis, as well as the previous financial guidelines issued on October 31, 2024:

(In millions of Canadian dollars, except percentages)	**July 15, 2025** **Revised projections** [1] **Fiscal 2025 (constant currency)** [2] **$**	October 31, 2024 Original projections [1] Fiscal 2025 (constant currency) [2] $	Actual Fiscal 2024 $
Financial guidelines			
Revenue	**Low single digit decline**	Stable	2,977
Adjusted EBITDA	**Stable**	Stable	1,442
Net capital expenditures	**$600 to $650**	$650 to $725	638
Net capital expenditures in connection with network expansion projects	**$110 to $150**	$140 to $190	137
Capital intensity	**20.5% to 22.5%**	22% to 24%	21.4 %
Capital intensity, excluding network expansion projects	**16.5% to 18.5%**	17% to 19%	16.8 %
Free cash flow	**Stable** [3]	Decrease of 0% to 10% [3]	476
Free cash flow, excluding network expansion projects	**Stable** [3]	Decrease of 0% to 10% [3]	613

(1) Percentage of changes compared to fiscal 2024.

(2) Fiscal 2025 financial guidelines are based on a USD/CDN constant exchange rate of 1.3606 USD/CDN.

(3) The assumed current income tax effective rate is approximately 11.5% (14% under the previous financial guidelines).

11. Controls and procedures

Internal control over financial reporting ("ICFR") is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. The President and Chief Executive Officer ("CEO") and the 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. Cogeco's internal control framework is based on the criteria published in the *Internal Control – Integrated Framework* (2013) published by the *Committee of Sponsoring Organizations of the Treadway Commission*.

The CEO and CFO, supported by management, evaluated the design of the Corporation's DC&P and ICFR at May 31, 2025, and concluded that they are adequate. Furthermore, no significant changes to the internal controls over financial reporting occurred during the three and nine-month periods ended May 31, 2025.

12. Uncertainties and main risk factors

A detailed description of the uncertainties and main risk factors faced by Cogeco can be found in the fiscal 2024 annual MD&A, available on SEDAR+ at www.sedarplus.ca and corpo.cogeco.com. The following update should be read together with the uncertainties and main risk factors described in the fiscal 2024 annual MD&A, which are hereby incorporated by reference.

Evolving economic conditions

The imposition of trade tariffs, other trade conditions or protective government measures may adversely impact the greater macroeconomic environment and may cause customers to reduce or delay discretionary spending, impacting new service purchases or volumes of use, and consider substitution by lower-priced alternatives. Trade friction may also result in higher costs and supply chain disruptions. The overall economic impact remains uncertain and will depend on the severity and duration of the trade tariffs, which could have a material adverse effect on the Corporation's business, financial condition and results of operations, including its financial guidelines.

Regulatory and legislative developments

Canada

Wholesale high-speed access framework

On June 20, 2025, the CRTC decided (in Telecom Decision CRTC 2025-154) to reject appeals from Cogeco Communications and several other parties to review its policy of allowing Canada's three largest telecommunications companies - Bell Canada, Telus Communications Inc. ("Telus") and Rogers Communications Inc. - to use regulated wholesale Internet access outside of their traditional wireline operating footprints. The appeals were requests to review and vary Telecom Regulatory Policy CRTC 2024-180, *Competition in Canada's Internet service markets* ("TRP 2024-180"), which updated the wholesale framework. The decision mandated Canada's largest telephone companies - Bell Canada, Telus and SaskTel - to provide aggregated wholesale access to their fibre-to-the-premises ("FTTP") facilities across Canada. It also required cable carriers, including Cogeco Communications, to continue providing wholesale access to their hybrid fibre coaxial facilities, but they are not required to provide wholesale access to their FTTP facilities. In addition, the decision prohibited both incumbent telephone and cable companies, including their brands and affiliates, from using aggregated wholesale high-speed access ("HSA") services within their traditional wireline serving territories. These companies, however, can access aggregated wholesale HSA services out-of-territory. The decision did not set any interim or final wholesale rates, although the CRTC issued interim FTTP rates on October 25, 2024, with final rates for both FTTP and other access technologies to follow in 2025. Finally, the decision also maintained the mandate for Cogeco Communications to continue providing disaggregated wholesale access, with the long-term status of the disaggregated access regime subject to a subsequent Commission decision.

On November 9, 2024, Cogeco Communications, together with the Competitive Network Operators of Canada, Eastlink and SaskTel submitted a petition to the federal Cabinet requesting that TRP 2024-180 be varied to disqualify Canada's three dominant telecommunications carriers from using mandated wholesale high-speed access services on any technology, anywhere in the country.

The failure of the Governor in Council to vary TRP 2024-180 to exclude Canada's three dominant national telecommunications carriers from accessing mandated wholesale HSA services could have a material adverse effect on the Corporation's business, financial condition and results of operations.

The CRTC is expected to issue final wholesale Internet rates before the end of 2025.

On March 8, 2023, the CRTC released Telecom Notice of Consultation 2023-56, which among other issues, made aggregated wholesale HSA rates interim and requested all Canadian carriers subject to the wholesale HSA framework, to submit new proposed wholesale rates. This request included wholesale HSA rates for hybrid fibre-coaxial ("HFC") access by the cable carriers and FTTP access by the large telephone companies. The Corporation, along with the other carriers subject to the wholesale framework, submitted new proposed wholesale Internet rates in June 2023. Requests for information were subsequently issued by the CRTC over the following two years.

While the CRTC has explicitly noted that a decision on wholesale HSA rates will be made before the end of 2025, based on the current record of the proceeding, it is possible that a decision on HFC wholesale HSA rates could be issued before the end of the summer.

Wholesale HSA rates that are excessively low or below the Corporation's costs could have a material adverse effect on the Corporation's business, financial condition and results of operations.

CRTC consultation on broadcasting market dynamics

On January 9, 2025, the CRTC issued Notice of Consultation CRTC 2025-2, *The Path Forward - Working towards a sustainable Canadian broadcasting system*. This proceeding examines the market dynamics between programming undertakings, broadcasting distribution undertakings ("BDUs") and online services to ensure the sustainability and growth of Canada's broadcasting system. It also looks at the effectiveness of existing regulatory tools, including the Wholesale Code and the CRTC's dispute resolution processes, used by BDUs (including Cogeco Communications) and programming undertakings in negotiations for the carriage and distribution of programming services. The CRTC held a public hearing beginning on June 18, 2025 to focus on these issues.

CRTC consultation on the modernization of policies for radio and audio streaming

On February 20, 2025, the CRTC issued Notice of Consultation CRTC 2025-52, *The Path Forward - Supporting Canadian and Indigenous audio content*. This proceeding seeks to update the definition of a Canadian musical selection and to provide a definition of French-language vocal music. The CRTC will also review Canadian and French-language content requirements for traditional radio undertakings (including Cogeco Media's 21 radio stations), and determine whether any new measures to support the airplay of emerging artists and Indigenous artists should be implemented, including potential new exhibition and expenditure requirements. The CRTC, among other things, is of the preliminary view that all existing Canadian and French-language content requirements should be maintained for traditional radio undertakings. A public hearing is scheduled to begin on September 18, 2025.

Royalties payable for retransmission of distant television signals

On May 8, 2025, the Federal Court of Appeal granted an appeal by nine collective societies of a decision by the Copyright Board of Canada setting the quantum of royalties payable for the retransmission of distant Canadian and U.S. television over-the-air signals in Canada, for the 2014-2018 period. The Federal Court of Appeal's decision will result in Cogeco Communications being subject to higher royalty rates for that period on a retroactive basis. The Copyright Board has initiated a new proceeding to set the rates for subsequent tariff periods (2019-2023 and 2024-2028). Any decision from the Copyright Board that would align with the copyright collectives' proposed tariff rates for either of such subsequent periods could result in Cogeco Communications being subject to higher royalty rates, which could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Bill C-2 - The Strong Borders Act

On June 3, 2025, the government introduced *Bill C-2 - The Strong Borders Act* ("Bill C-2") in the House of Commons, which proposes new measures to improve security at the Canada/United States border. Bill C-2 would amend various acts, including the lawful access provisions of the Criminal Code, which would be expanded to allow law enforcement agencies to obtain preliminary information from Internet service providers without a warrant and create a new category of production order to facilitate the disclosure of a broader range of customer information. If adopted in its current form, this could impose a greater burden on Internet service providers, resulting in greater operational expenses.

United States

FTC's "Click-to-Cancel" rule

On October 16, 2024, the Federal Trade Commission ("FTC") adopted rules that will require sellers offering goods and services with a negative option feature, including Internet, wireless and video service providers, to make it as easy for consumers to cancel their enrollment as it was to sign up. On May 9, 2025, the FTC voted to extend the May 14, 2025 compliance deadline by 60 days, on the basis that the initial deferral period insufficiently accounted for the complexity of compliance. These rules were challenged in federal court by various industry associations and businesses. On July 8, 2025, the United States Court of Appeals for the Eighth Circuit vacated the rules, stating that the FTC failed to perform a required preliminary analysis of the rules' costs and benefits. The FTC could seek to appeal the ruling to the Supreme Court. The application of the rules could make it easier and faster for consumers to terminate subscription services.

Spectrum

On July 3, 2025, the United States Congress passed a budget reconciliation bill known as the "One Big Beautiful Bill", which was signed into law by President Trump on July 4, 2025. This legislation restores the Federal Communications Commission's ("FCC") spectrum auction authority and mandates the identification and auctioning of 800 Mhz of spectrum exclusively for licensed broadband use. Additional commercial spectrum could impact market dynamics and enhance the ability of mobile and fixed wireless providers to compete with our services. Further, if the FCC reallocates spectrum that Breezeline currently uses to provide services, we could be required to transition our operations to different frequencies in order to accommodate the reallocation of spectrum to 5G, which could disrupt our services and impose additional costs.

Broadband affordability legislation

In January 2025, the state of New York started enforcing the *Affordable Broadband Act*, which requires service providers to offer broadband services to low-income households for no more than US$20 per month. Other states where Breezeline has operations, including Massachusetts, Maryland and Connecticut, are also considering similar legislation, which could have the effect of creating a patchwork of, and potentially inconsistent, federal and state regulatory regimes. New broadband affordability regulations, if adopted, could have an adverse effect on the Corporation's business.

Privacy

The proliferation of state privacy legislation in the United States continues. As of January 2025, we achieved compliance with the New Hampshire privacy law, and we are actively preparing for the implementation of compliance measures for Connecticut and Maryland. This trend of expanding state privacy laws is anticipated to persist into fiscal 2026. These legislative frameworks grant consumers rights comparable to those in California and Europe, and they carry significant penalties for non-compliance. This could lead to an increase in customer requests, complaints, and potentially lawsuits.

13. Accounting policy developments

Initial application of amendments to accounting standards

Supplier Finance Arrangements - Amendments to IAS 7, *Statement of Cash Flows*, and IFRS 7, *Financial Instruments: Disclosures*	In May 2023, the IASB issued *Supplier Finance Arrangements*, which amended IAS 7 and IFRS 7, introducing new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The amendments were effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Effective September 1, 2024, the Corporation applied these amendments, which had no impact on the consolidated financial statements.

Future changes to accounting standards

The following new standard and amendments to accounting standards were issued by the International Accounting Standards Board ("IASB") and were not yet applied in preparing the Corporation's condensed interim consolidated financial statements.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9, *Financial Instruments,* and IFRS 7, *Financial Instruments: Disclosures*	In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments,* which amended IFRS 9 and IFRS 7, to clarify when a financial asset or a financial liability is recognized and derecognized and to introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. The amendments also clarify the classification of financial assets with environmental, social and governance ("ESG")-linked features, non-recourse loans and contractually linked instruments, and introduce disclosure requirements for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The Corporation is currently assessing the impact of these amendments on its consolidated financial statements, but does not expect to have any material impact.
IFRS 18, *Presentation and Disclosure in Financial Statements*	In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which replaces IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies: • improved comparability in the statement of profit or loss by introducing three defined categories for income and expenses (operating, investing and financing) and requiring companies to provide two new defined subtotals, i.e. operating profit and profit before financing and income taxes; • enhanced transparency of management-defined performance measures by requiring companies to disclose explanations of those company-specific measures that are related to the income statement; and • enhanced guidance on how companies group information in the financial statements, including guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. The IASB also made consequential amendments to other accounting standards, including IAS 7, *Statement of Cash Flows*, IAS 33, *Earnings per Share,* and IAS 34, *Interim Financial Reporting*.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Corporation is currently assessing the impact of these new and amended accounting standards on its consolidated financial statements presentation and disclosure. Based on a high level assessment, the Corporation expects the following most significant impacts to date on the presentation and disclosure of its consolidated financial statements:

- **Consolidated statements of profit or loss:** Although there will be no impact on the Corporation's reported profit for the period/year, the presentation of the Corporation's consolidated statements of profit or loss will change, including presenting the two new defined subtotals and classifying income and expenses into the IFRS 18 defined categories. Certain line items presented may also change as a result of the application of the new 'useful structured summary' concept and the enhanced principles on aggregation and disaggregation.
- **Consolidated statements of cash flows:** The starting point will change from profit for the period/year to the new operating profit subtotal to be reported, while interest paid will move from cash flows from operating activities to cash flows from financing activities.
- **Notes to the consolidated financial statements:** Certain financial measures and related information currently reported as 'non-IFRS Accounting Standards and other financial measures' in the Corporation's management's discussion and analysis are expected to be considered 'management-defined performance measures' under IFRS 18 (e.g. adjusted EBITDA and adjusted profit attributable to owners of the Corporation). Accordingly, specific required disclosures for these management-defined performance measures will need to be provided within a single note to the consolidated financial statements.

14. Non-IFRS Accounting Standards and other financial measures

This section describes non-IFRS Accounting Standards and other financial measures used by Cogeco throughout this MD&A. These financial measures are reviewed in assessing the performance of Cogeco and used in the decision-making process with regard to its business units.

Financial measures presented on a constant currency basis for the three and nine-month periods ended May 31, 2025 are translated at the average foreign exchange rate of the comparable periods of the prior year, which were 1.3628 USD/CDN and 1.3578 USD/CDN, respectively.

Non-IFRS Accounting Standards measures

The following financial measures used by the Corporation do not have standardized definitions prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures disclosed by other companies.

Reconciliations, or references to the specific sections within the MD&A where these reconciliations are provided, as applicable, between these non-IFRS Accounting Standards measures to the most directly comparable IFRS Accounting Standards measures are provided below.

Specified financial measures	Usefulness	Calculation	Most directly comparable IFRS Accounting Standards measures
Adjusted profit attributable to owners of the Corporation	Adjusted profit attributable to owners of the Corporation is a measure used by management to assess the Corporation's performance before the impact of impairment of assets, acquisition, integration, restructuring and other costs (gains), and loss (gain) on debt modification and/or extinguishment, net of tax and non-controlling interest for these items. Adjusted profit attributable to owners of the Corporation excludes certain items that management believes could affect the comparability of the Corporation's financial results and could potentially distort the analysis of trends in business performance. Excluding the impact of these items does not imply they are non-recurring.	Profit for the period attributable to owners of the Corporation add: - impairment of assets, if any; - acquisition, integration, restructuring and other costs (gains); - loss (gain) on debt modification and/or extinguishment, if any; - tax impact for the above items; and - non-controlling interest for the above items.	Profit for the period attributable to owners of the Corporation
Adjusted financial expense	Adjusted financial expense is a measure used by management to calculate certain covenant ratios and to assess the Corporation's ability to service its debt.	Financial expense deduct: - loss (gain) on debt modification and/or extinguishment, if any.	Financial expense
Constant currency basis and foreign exchange impact	The Corporation presents certain financial measures in constant currency to enable an improved understanding of its underlying financial performance, undistorted by the effect of changes in foreign exchange rates, in order to facilitate period-to-period comparisons. Financial measures presented on a constant currency basis include financial guidelines and certain historical financial measures, including revenue, operating expenses, adjusted EBITDA, net capital expenditures and free cash flow.	Financial guidelines presented on a constant currency basis are obtained by translating expected financial results denominated in US dollars at the foreign exchange rates of the prior fiscal year. Historical financial measures presented on a constant currency basis are obtained by translating financial results from the current periods denominated in US dollars at the foreign exchange rates of the comparable periods of the prior year. Foreign exchange impact represents the quantification of such impact.	Revenue, operating expenses, adjusted EBITDA and net capital expenditures. For free cash flow, refer to the definition below for the most directly comparable IFRS Accounting Standards measure.
Organic revenue in constant currency and adjusted EBITDA in constant currency	Organic revenue in constant currency and adjusted EBITDA in constant currency are used by management to analyze the Corporation's revenue and adjusted EBITDA growth excluding the effect of changes in foreign exchange rates and the impact of acquisitions, in order to facilitate period-to-period comparisons. Management believes these measures are used by certain investors and analysts to evaluate the Corporation's performance.	Revenue in constant currency (as calculated per above) deduct: - impact of acquisitions. Adjusted EBITDA in constant currency (as calculated per above) deduct: - impact of acquisitions.	Revenue and adjusted EBITDA.

Specified financial measures	Usefulness	Calculation	Most directly comparable IFRS Accounting Standards measures
Free cash flow and free cash flow, excluding network expansion projects	Free cash flow and free cash flow, excluding network expansion projects are used by management to measure the Corporation's ability to repay debt, distribute capital to its shareholders and finance its growth. Management believes these measures are used by certain investors and analysts to value the Corporation's business and its underlying assets, and to assess the Corporation's financial strength and performance. Free cash flow excludes certain items that management believes could affect the comparability of the Corporation's financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring. During the first quarter of fiscal 2024, the Corporation updated the free cash flow calculation to exclude loss (gain) on debt modification and/or extinguishment, as applicable, following the reimbursement of Tranche 1 of the Senior Secured Term Loan B Facility and the amendment of the Senior Secured Revolving Facility. During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions, in order to better align the sources and uses of cash in connection to capital expenditures. Comparative figures were restated to conform to the current presentation.	Free cash flow: - Adjusted EBITDA add: - amortization of deferred transaction costs and discounts on long-term debt; - loss (gain) on debt modification and/or extinguishment; - share-based payment; - proceeds from sale and leaseback and other disposals of property, plant and equipment; - loss (gain) on disposals and write-offs of property, plant and equipment, including sale and leaseback transactions; and - defined benefit plans expense, net of contributions deduct: - acquisition, integration, restructuring and other costs (gains); - financial expense; - current income taxes; - net capital expenditures; and - repayment of lease liabilities.	Cash flows from operating activities
	The Corporation also measures free cash flow, excluding network expansion projects as it provides a common basis for comparing the impact of the net capital expenditures to the impact of the historical net capital expenditures prior to the acceleration of the network expansion projects. In addition, management believes this helps certain investors and analysts to assess the impact of the network expansion projects on the Corporation's free cash flow. Excluding the impact of net capital expenditure in connection with network expansion projects does not imply it is non-recurring.	Free cash flow, excluding network expansion projects: - Free cash flow add: - net capital expenditures in connection with network expansion projects.	
Net capital expenditures, excluding network expansion projects	Net capital expenditures, excluding network expansion projects is a measure used by management to assess the Corporation's total capital investments, without taking into consideration capitalized investments in network expansion projects, as it provides a common basis for comparing the net capital expenditures to historical net capital expenditures prior to the acceleration of the network expansion projects. In addition, management believes this helps certain investors and analysts to assess the impact of the network expansion projects on the net capital expenditures. This measure is also used in the calculation of the capital intensity and free cash flow, excluding network expansion projects. Excluding the impact of net capital expenditure in connection with network expansion projects does not imply it is non-recurring.	Net capital expenditures deduct: - net capital expenditures in connection with network expansion projects.	Acquisition of property, plant and equipment

Specified financial measures	Usefulness	Calculation	Most directly comparable IFRS Accounting Standards measures
Available liquidity	Management uses available liquidity to assess Cogeco's ability to meet its financial obligations and ensure there is sufficient liquidity to support its capital requirements, including development of the business by acquisition and other growth opportunities. Available liquidity is presented on a consolidated basis, including the liquidity of distinct borrowing structures for the Canadian and American telecommunications segments. Management believes this measure is used by certain investors and analysts to assess Cogeco's financial strength.	Cash and cash equivalents deduct: - cash with restrictions on use; add: - amounts available under revolving credit facilities.	Cash and cash equivalents

Adjusted profit attributable to owners of the Corporation

	Three months ended May 31		Nine months ended May 31	
	2025	2024	**2025**	2024
(In thousands of Canadian dollars)	**$**	$	**$**	$
Profit for the period attributable to owners of the Corporation	**20,504**	18,960	**68,485**	77,498
Acquisition, integration, restructuring and other costs	**8,996**	46,634	**7,992**	51,121
Impairment of property, plant and equipment	**2,565**	—	**2,565**	—
Loss on debt extinguishment [1]	**—**	—	**—**	16,880
Tax impact for the above items	**(2,751)**	(12,337)	**(4,575)**	(17,978)
Non-controlling interest impact for the above items	**(6,168)**	(24,155)	**(3,771)**	(34,035)
Adjusted profit attributable to owners of the Corporation	**23,146**	29,102	**70,696**	93,486

(1) Included within financial expense.

Adjusted financial expense

For the reconciliation of adjusted financial expense to the most directly comparable IFRS Accounting Standards measure, refer to sub-section 4.5 "Financial expense".

Constant currency basis and foreign exchange impact reconciliation

Consolidated

For the reconciliations of consolidated revenue, operating expenses, adjusted EBITDA and net capital expenditures in constant currency to the most directly comparable IFRS Accounting Standards measures, refer to sub-section 4.1 "Consolidated performance".

The reconciliation of free cash flow in constant currency is as follows. For the reconciliation of this specified financial measure to the most directly comparable IFRS Accounting Standards measure, refer to the specific reconciliation in the sub-section below.

Three months ended May 31			**2025**	2024 [1]		**Change**
(In thousands of Canadian dollars, except percentages)	**Actual**	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Free cash flow [1]	**147,535**	(1,552)	**145,983**	90,164	**63.6**	**61.9**

(1) During the fourth quarter of fiscal 2024, the Corporation updated its free cash flow calculation to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation.

Nine months ended May 31	2025			2024 [1]	Change	
(In thousands of Canadian dollars, except percentages)	**Actual**	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Free cash flow [1]	**412,791**	(3,516)	**409,275**	332,710	**24.1**	**23.0**

(1) During the fourth quarter of fiscal 2024, the Corporation updated its free cash flow calculation to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation.

Segmented

For the reconciliations of segmented revenue, operating expenses, adjusted EBITDA and net capital expenditures in constant currency to the most directly comparable IFRS Accounting Standards measures, refer to section 5 "Segmented operating and financial results".

Corporate and eliminations of Cogeco Communications

Three months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	**Actual**	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Operating expenses	**8,774**	(2)	**8,772**	8,990	**(2.4)**	**(2.4)**
Management fees – Cogeco Inc.	**4,922**	—	**4,922**	5,238	**(6.0)**	**(6.0)**
Adjusted EBITDA	**(13,696)**	2	**(13,694)**	(14,228)	**3.7**	**3.8**

Nine months ended May 31	2025			2024	Change	
(In thousands of Canadian dollars, except percentages)	**Actual**	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Operating expenses	**25,708**	(14)	**25,694**	32,075	**(19.9)**	**(19.9)**
Management fees – Cogeco Inc.	**14,765**	—	**14,765**	15,714	**(6.0)**	**(6.0)**
Adjusted EBITDA	**(40,473)**	14	**(40,459)**	(47,789)	**15.3**	**15.3**

Free cash flow and free cash flow, excluding network expansion projects reconciliations

	Three months ended May 31		Nine months ended May 31	
	2025	2024 [1]	**2025**	2024 [1]
(In thousands of Canadian dollars)	**$**	$	**$**	$
Cash flows from operating activities	**401,375**	335,126	**860,110**	858,427
Changes in other non-cash operating activities	**(98,149)**	(73,787)	**6,550**	(14,195)
Income taxes paid (received)	**(13,139)**	3,502	**9,782**	(1,234)
Current income taxes	**(11,551)**	(3,390)	**(35,882)**	(20,313)
Interest paid	**72,122**	65,253	**200,276**	201,133
Financial expense	**(78,138)**	(67,109)	**(211,027)**	(222,211)
Loss on debt extinguishment [2]	**—**	—	**—**	16,880
Amortization of deferred transaction costs and discounts on long-term debt [2]	**2,674**	2,329	**6,503**	7,079
Net capital expenditures [3]	**(125,752)**	(169,754)	**(435,527)**	(488,177)
Proceeds from sale and leaseback and other disposals of property, plant and equipment [1]	**2,188**	888	**22,741**	2,787
Repayment of lease liabilities	**(4,095)**	(2,894)	**(10,735)**	(7,466)
Free cash flow [1]	**147,535**	90,164	**412,791**	332,710
Net capital expenditures in connection with network expansion projects	**13,285**	24,433	**50,657**	80,483
Free cash flow, excluding network expansion projects [1]	**160,820**	114,597	**463,448**	413,193

(1) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation.

(2) Included within financial expense.

(3) Net capital expenditures exclude non-cash acquisitions of right-of-use assets and the purchases, and related borrowing costs, of spectrum licences, and are presented net of government subsidies, including the utilization of those received in advance.

Available liquidity reconciliation

For the reconciliation of available liquidity to the most directly comparable IFRS Accounting Standards measure, refer to sub-section 9.1 "Capital structure".

Net capital expenditures and free cash flow, excluding network expansion projects reconciliations

Net capital expenditures, excluding network expansion projects

Three months ended May 31	2025			2024	Change	
	Actual	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
(In thousands of Canadian dollars, except percentages)	**$**	$	**$**	$	**%**	**%**
Acquisition of property, plant and equipment	**126,223**			172,404	(26.8)	
Subsidies received in advance recognized as a reduction of the cost of property, plant and equipment during the period	**(471)**			(2,650)	(82.2)	
Net capital expenditures	**125,752**	(2,162)	**123,590**	169,754	**(25.9)**	**(27.2)**
Net capital expenditures in connection with network expansion projects	**13,285**	(74)	**13,211**	24,433	**(45.6)**	**(45.9)**
Net capital expenditures, excluding network expansion projects	**112,467**	(2,088)	**110,379**	145,321	**(22.6)**	**(24.0)**

Nine months ended May 31	2025			2024	Change	
	Actual	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
(In thousands of Canadian dollars, except percentages)	**$**	$	**$**	$	**%**	**%**
Acquisition of property, plant and equipment	**440,072**			507,427	(13.3)	
Subsidies received in advance recognized as a reduction of the cost of property, plant and equipment during the period	**(4,545)**			(19,250)	(76.4)	
Net capital expenditures	**435,527**	(8,192)	**427,335**	488,177	**(10.8)**	**(12.5)**
Net capital expenditures in connection with network expansion projects	**50,657**	(163)	**50,494**	80,483	**(37.1)**	**(37.3)**
Net capital expenditures, excluding network expansion projects	**384,870**	(8,029)	**376,841**	407,694	**(5.6)**	**(7.6)**

Free cash flow, excluding network expansion projects

Three months ended May 31	2025			2024 [1]	Change	
	Actual	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
(In thousands of Canadian dollars, except percentages)	**$**	$	**$**	$	**%**	**%**
Free cash flow [1]	**147,535**	(1,552)	**145,983**	90,164	**63.6**	**61.9**
Net capital expenditures in connection with network expansion projects	**13,285**	(74)	**13,211**	24,433	**(45.6)**	**(45.9)**
Free cash flow, excluding network expansion projects [1]	**160,820**	(1,626)	**159,194**	114,597	**40.3**	**38.9**

(1) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation.

Nine months ended May 31			2025	2024 [1]		Change
(In thousands of Canadian dollars, except percentages)	**Actual**	Foreign exchange impact	**In constant currency**	Actual	**Actual**	**In constant currency**
	$	$	**$**	$	**%**	**%**
Free cash flow [1]	**412,791**	(3,516)	**409,275**	332,710	**24.1**	**23.0**
Net capital expenditures in connection with network expansion projects	**50,657**	(163)	**50,494**	80,483	**(37.1)**	**(37.3)**
Free cash flow, excluding network expansion projects [1]	**463,448**	(3,679)	**459,769**	413,193	**12.2**	**11.3**

(1) During the fourth quarter of fiscal 2024, the Corporation updated its calculation of free cash flow and free cash flow, excluding network expansion projects, to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation.

Non-IFRS Accounting Standards ratios

The following financial measures used by the Corporation do not have standardized definitions prescribed by IFRS Accounting Standards and therefore, may not be comparable to similar measures disclosed by other companies. This MD&A refers to the capital intensity, excluding network expansion projects of Cogeco Communications as it is used by Cogeco Communications to assess the impact of the network expansion projects on its capital intensity.

Specified financial measures	**Usefulness**	**Calculation**
Adjusted diluted earnings per share	Adjusted diluted earnings per share is a measure used by management to assess the Corporation's performance before the impact of impairment of assets, acquisition, integration, restructuring and other costs (gains), and loss (gain) on debt modification and/or extinguishment, net of tax and non-controlling interest for the above items. Adjusted diluted earnings per share excludes certain items that management believes could affect the comparability of the Corporation's financial results and could potentially distort the analysis of trends in business performance. Excluding the impact of these items does not imply they are non-recurring.	Adjusted profit attributable to owners of the Corporation divided by the weighted average number of diluted multiple and subordinate voting shares outstanding. Adjusted profit attributable to owners of the Corporation is a non-IFRS Accounting Standards measure. For more details on this financial measure, please refer to the "Non-IFRS Accounting Standards measures" sub-section.
Change in constant currency	The Corporation presents changes of certain financial measures in constant currency to enable an improved understanding of its underlying financial performance, undistorted by the effects of changes in foreign exchange rates, in order to facilitate period-to-period comparisons.	Change in constant currency, expressed as a percentage of the variation between the periods presented, is obtained by translating financial results from the current periods denominated in US dollars using the foreign exchange rates of the comparable periods of the prior year. Constant currency basis is a non-IFRS Accounting Standards measure. For more details on this financial measure, please refer to the "Non-IFRS Accounting Standards measures" sub-section.

Specified financial measures	Usefulness	Calculation
Organic revenue growth in constant currency and organic adjusted EBITDA growth in constant currency	Organic revenue growth in constant currency and organic adjusted EBITDA growth in constant currency are used by management to analyze the Corporation's revenue and adjusted EBITDA growth excluding the effect of changes in foreign exchange rates and the impact of acquisitions, in order to facilitate period-to-period comparisons. Management believes these measures are used by certain investors and analysts to evaluate the Corporation's performance.	Revenue and adjusted EBITDA changes in constant currency (as calculated above), expressed as a percentage of the variation between the periods presented, adjusted for the impact of acquisitions. Constant currency basis is a non-IFRS Accounting Standards measure. For more details on this financial measure, please refer to the "Non-IFRS Accounting Standards measures" sub-section.
Capital intensity, excluding network expansion projects	Capital intensity, excluding network expansion projects is used by Cogeco Communications' management to assess Cogeco Communications' investment in capital expenditures and to make certain decisions, without taking into consideration capitalized investments in network expansion projects, in order to support a certain level of revenue. Cogeco Communications measures capital intensity, excluding network expansion projects, as it provides a common basis for comparing the impact of the net capital expenditures to the impact of the historical net capital expenditures prior to the acceleration of the network expansion projects. In addition, Cogeco Communications' management believes this helps certain investors and analysts to assess the impact of the network expansion projects on Cogeco Communications' capital intensity ratio. Excluding the impact of net capital expenditures in connection with network expansion projects does not imply it is non-recurring.	Net capital expenditures, excluding network expansion projects divided by revenue. Net capital expenditures, excluding network expansion projects is a non-IFRS Accounting Standards measure. For more details on this financial measure, please refer to the "Non-IFRS Accounting Standards measures" sub-section.
Capital intensity in constant currency and capital intensity, excluding network expansion projects in constant currency	The Corporation presents certain financial measures of Cogeco Communications on a constant currency basis, including capital intensity in constant currency and capital intensity, excluding network expansion projects in constant currency, to facilitate period-to-period comparisons, undistorted by the effects of changes in foreign exchange rate.	Capital intensity in constant currency is calculated as net capital expenditures in constant currency divided by revenue in constant currency. Capital intensity, excluding network expansion projects in constant currency is calculated as net capital expenditures, excluding network expansion projects in constant currency divided by revenue in constant currency. Constant currency basis, including net capital expenditures in constant currency, net capital expenditures, excluding network expansion projects in constant currency and revenue in constant currency are non-IFRS Accounting Standards measures. For more details on these financial measures, please refer to the "Non-IFRS Accounting Standards measures" sub-section.

Total of segments measures

The following financial measures used by Cogeco are total of segments measures as reported in Note 4 of the condensed interim consolidated financial statements. Reconciliations between these specified financial measures to the most directly comparable IFRS Accounting Standards measures are provided below.

Specified financial measures	Most directly comparable IFRS Accounting Standards measures
Adjusted EBITDA	Profit for the period
Net capital expenditures	Acquisition of property, plant and equipment

Adjusted EBITDA reconciliation

	Three months ended May 31		Nine months ended May 31	
	2025	2024	**2025**	2024
(In thousands of Canadian dollars)	**$**	$	**$**	$
Profit for the period	**73,962**	75,285	**258,968**	267,944
Income taxes	**20,600**	11,172	**70,271**	47,546
Financial expense	**78,138**	67,109	**211,027**	222,211
Impairment of property, plant and equipment	**2,565**	—	**2,565**	—
Depreciation and amortization	**183,567**	169,586	**544,994**	494,779
Acquisition, integration, restructuring and other costs	**8,996**	46,634	**7,992**	51,121
Adjusted EBITDA	**367,828**	369,786	**1,095,817**	1,083,601

Net capital expenditures reconciliation

For the reconciliation of net capital expenditures to the most directly comparable IFRS Accounting Standards measure, refer to sub-section 7.2 "Investing activities".

Capital management measures

The following financial measures used by Cogeco and/or Cogeco Communications are capital management measures, as disclosed within the notes to the Corporation's and/or Cogeco Communications' consolidated financial statements and/or condensed interim consolidated financial statements.

Specified financial measures	Usefulness	Calculation
Net indebtedness	Net indebtedness is a measure used by management, and management believes it is also used by certain investors and analysts, to assess the Corporation's and Cogeco Communications' financial leverage, as it represents the debt net of the available unrestricted cash and cash equivalents. Net indebtedness is a component of "Net indebtedness to adjusted EBITDA ratio".	Long-term debt before discounts, transaction costs and other add: - bank indebtedness deduct: - cash and cash equivalents, excluding cash with restrictions on use.
Net indebtedness to adjusted EBITDA ratio	Net indebtedness to adjusted EBITDA ratio is a measure used by management to assess the Corporation's and Cogeco Communications' financial leverage and their capital structure decisions, including the issuance of new debt, and to manage the Corporation's and Cogeco Communications' debt maturity risks.	Net indebtedness divided by the twelve-month trailing adjusted EBITDA.
Adjusted EBITDA to adjusted financial expense ratio	Adjusted EBITDA to adjusted financial expense ratio is a measure used by management, and management believes it is also used by certain investors and analysts, to assess the Corporation's and Cogeco Communications' financial strength and the ability to service their debt obligations.	Twelve-month trailing adjusted EBITDA divided by twelve-month trailing adjusted financial expense. Adjusted financial expense is a non-IFRS Accounting Standards measure. For more details on this financial measure, please refer to the "Non-IFRS Accounting Standards measures" sub-section.
Fixed-rate indebtedness	Fixed-rate indebtedness is a measure used by management to monitor and manage the Corporation's and Cogeco Communications' capital structure. Management believes this measure helps investors and analysts to assess the Corporation's and Cogeco Communications' financial leverage.	Principal on fixed-rate long-term debt divided by the principal on long-term debt.

Supplementary financial measures

This MD&A refers to the capital intensity of Cogeco Communications, as well as of the Canadian and American telecommunications segments, and the adjusted EBITDA margin of both segments, key performance indicators used by Cogeco Communications' management and investors to value Cogeco Communications' performance and to assess its investment in capital expenditures in order to support a certain level of revenue.

Specified financial measures	Calculation
Adjusted EBITDA margin	Adjusted EBITDA divided by revenue.
Capital intensity	Net capital expenditures divided by revenue.
Return on equity	Profit attributable to owners of the Corporation for the year divided by the average of the equity attributable to owners of the Corporation for the year.

15. Supplementary quarterly financial information

Three months ended	May. 31	Feb. 28	Nov. 30	Aug. 31	May. 31 [1]	Feb. 29 [1]	Nov. 30 [1]	Aug. 31 [1]
	Fiscal 2025						Fiscal 2024	Fiscal 2023
(In thousands of Canadian dollars, except per share data)	**$**	**$**	**$**	$	$	$	$	$
Operations								
Revenue	**758,527**	**753,247**	**764,960**	768,656	777,249	751,908	776,172	766,652
Adjusted EBITDA	**367,828**	**356,905**	**371,084**	371,216	369,786	347,782	366,033	351,925
Acquisition, integration, restructuring and other costs (gains)	**8,996**	**8,644**	**(9,648)**	12,177	46,634	1,222	3,265	15,239
Impairment of property, plant and equipment	**2,565**	**—**	**—**	15,229	—	—	—	—
Profit for the period	**73,962**	**76,610**	**108,396**	81,437	75,285	93,930	98,729	90,521
Profit for the period attributable to owners of the Corporation	**20,504**	**18,172**	**29,809**	19,248	18,960	23,997	34,541	29,234
Adjusted profit attributable to owners of the Corporation	**23,146**	**20,329**	**27,221**	25,562	29,102	24,346	40,038	33,006
Cash flow								
Cash flows from operating activities	**401,375**	**250,080**	**208,655**	326,723	335,126	286,382	236,919	284,370
Free cash flow [1]	**147,535**	**112,805**	**152,451**	143,055	90,164	100,468	142,078	87,274
Acquisition of property, plant and equipment	**126,223**	**160,335**	**153,514**	156,577	172,404	181,234	153,789	207,434
Net capital expenditures	**125,752**	**158,859**	**150,916**	154,570	169,754	171,756	146,667	178,481
Per share data [2] and related information								
Earnings per share								
Basic	**2.16**	**1.91**	**3.13**	2.02	1.99	2.32	2.23	1.89
Diluted	**2.13**	**1.88**	**3.09**	1.99	1.97	2.30	2.21	1.87
Adjusted diluted	**2.40**	**2.11**	**2.82**	2.65	3.02	2.33	2.57	2.12
Weighted average number of shares outstanding - diluted (in thousands)	**9,643**	**9,643**	**9,648**	9,648	9,643	10,429	15,598	15,602
Dividends per share	**0.922**	**0.922**	**0.922**	0.854	0.854	0.854	0.854	0.731

(1) During the fourth quarter of fiscal 2024, the Corporation updated its free cash flow calculation to include proceeds on disposals of property, plant and equipment, which includes proceeds from sale and leaseback transactions. Comparative figures were restated to conform to the current presentation. For further details, please refer to the "Non-IFRS Accounting Standards and other financial measures" section.

(2) Per multiple and subordinate voting share.

15.1 Seasonal variations

Cogeco's operating results are not generally subject to material seasonal fluctuations. Although, the media business faces certain seasonal variations.