# Q3 2024

**ALIMENTATION COUCHE-TARD INC.**
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
16 and 40-week periods ended February 4, 2024

# Consolidated Statements of Earnings

(in millions of US dollars, except per share amounts, unaudited)

| | 16 weeks | | 40 weeks | |
|---|---|---|---|---|
| **For the periods ended** | **February 4, 2024** | January 29, 2023 | **February 4, 2024** | January 29, 2023 |
| | **$** | $ | **$** | $ |
| **Revenues** | **19,622.0** | 20,055.1 | **51,670.8** | 55,592.3 |
| Cost of sales, excluding depreciation, amortization and impairment | **16,180.5** | 16,654.6 | **42,354.4** | 46,448.8 |
| Operating, selling, general and administrative expenses | **1,975.3** | 1,916.1 | **4,882.7** | 4,747.2 |
| Loss (gain) on disposal of property and equipment and other assets | **1.4** | (4.9) | **(1.9)** | (38.3) |
| Depreciation, amortization and impairment | **537.5** | 463.2 | **1,267.6** | 1,136.3 |
| **Operating income** | **927.3** | 1,026.1 | **3,168.0** | 3,298.3 |
| Share of earnings of joint ventures and associated companies | **3.6** | 0.5 | **22.2** | 8.2 |
| Financial expenses (Note 5) | **190.0** | 121.4 | **403.4** | 280.9 |
| Other financial items (Note 5) | **(54.3)** | (40.5) | **(144.0)** | (74.3) |
| Foreign exchange (gain) loss | **(5.4)** | 1.6 | **(11.4)** | 1.1 |
| **Net financial expenses** | **130.3** | 82.5 | **248.0** | 207.7 |
| Earnings before income taxes | **800.6** | 944.1 | **2,942.2** | 3,098.8 |
| Income taxes | **176.2** | 206.7 | **664.5** | 678.6 |
| **Net earnings** | **624.4** | 737.4 | **2,277.7** | 2,420.2 |
| Net earnings attributable to non-controlling interests (Note 3) | **(1.0)** | — | **(1.0)** | — |
| **Net earnings attributable to shareholders of the Corporation** | **623.4** | 737.4 | **2,276.7** | 2,420.2 |
| Net earnings per share (Note 7) | | | | |
| Basic | **0.65** | 0.73 | **2.35** | 2.38 |
| Diluted | **0.65** | 0.73 | **2.35** | 2.38 |
| Weighted average number of shares – basic (in millions) | **962.5** | 1,004.0 | **968.5** | 1,015.6 |
| Weighted average number of shares – diluted (in millions) | **963.8** | 1,005.9 | **970.1** | 1,017.3 |
| Number of shares outstanding at the end of period (in millions) | **961.8** | 990.4 | **961.8** | 990.4 |

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

# Consolidated Statements of Comprehensive Income

(in millions of US dollars, unaudited)

| | 16 weeks | | 40 weeks | |
|---|---|---|---|---|
| **For the periods ended** | **February 4, 2024** | January 29, 2023 | **February 4, 2024** | January 29, 2023 |
| | **$** | $ | **$** | $ |
| **Net earnings** | **624.4** | 737.4 | **2,277.7** | 2,420.2 |
| **Other comprehensive income (loss)** | | | | |
| **Items that may be reclassified subsequently to earnings** | | | | |
| **Translation adjustments** | | | | |
| Change in cumulative translation adjustments(1) | **128.5** | 231.3 | **41.6** | (184.2) |
| Net changes in fair value and net interest on cross-currency interest rate swaps and currency forwards designated as a hedge of the Corporation's net investment in some of its foreign operations(2) | **46.1** | 39.6 | **26.3** | (46.6) |
| **Cash flow hedges** | | | | |
| Change in fair value of financial instruments(2) | **(54.5)** | (12.4) | **2.8** | 16.3 |
| Gain realized on financial instruments transferred to earnings(2) | **(2.2)** | (1.7) | **(4.8)** | (3.2) |
| Reclassification adjustment (Note 6)(3) | **—** | — | **(28.5)** | — |
| **Items that will never be reclassified to earnings** | | | | |
| Net actuarial (loss) gain(4) | **(3.8)** | (10.8) | **8.7** | 5.6 |
| Gain (loss) on investments in equity instruments measured at fair value through Other comprehensive income (loss)(5) | **3.2** | 9.1 | **10.2** | (8.3) |
| Other comprehensive income (loss) | **117.3** | 255.1 | **56.3** | (220.4) |
| **Comprehensive income** | **741.7** | 992.5 | **2,334.0** | 2,199.8 |
| Comprehensive income attributable to non-controlling interests | **(0.6)** | — | **(0.6)** | — |
| **Comprehensive income attributable to shareholders of the Corporation** | **741.1** | 992.5 | **2,333.4** | 2,199.8 |

(1) For the 16 and 40-week periods ended February 4, 2024, these amounts include a gain of $77.3 (net of income tax expenses of $8.5) and a gain of $83.1 (net of income tax expenses of $8.9), respectively. For the 16 and 40-week periods ended January 29, 2023, these amounts include a gain of $42.7 (net of income tax recoveries of $2.1) and a loss of $163.3 (net of income tax recoveries of $10.6), respectively. These gains and losses arise from the translation of debts denominated in foreign currencies and designated as net investment hedges in some of the Corporation's foreign operations.

(2) For the 16 and 40-week periods ended February 4, 2024, these amounts are net of income tax recoveries of $5.1 and $6.3, respectively. For the 16 and 40-week periods ended January 29, 2023, these amounts are net of income tax (recoveries) expenses of $(3.5) and $8.3, respectively.

(3) For the 16 and 40-week periods ended February 4, 2024, these amounts are net of income taxes of nil and $4.4, respectively.

(4) For the 16 and 40-week periods ended February 4, 2024, these amounts are net of income tax (recoveries) expenses of $(0.9) and $2.4, respectively. For the 16 and 40-week periods ended January 29, 2023, these amounts are net of income tax (recoveries) expenses of $(2.9) and $1.4, respectively.

(5) For the 16 and 40-week periods ended February 4, 2024, these amounts are net of income tax expenses of $0.5 and $1.6, respectively. For the 16 and 40-week periods ended January 29, 2023, these amounts are net of income tax expenses (recoveries) of $0.1 and $(1.0), respectively.

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

# Consolidated Statements of Changes in Equity

(in millions of US dollars, unaudited)

| **For the 40-week period ended** | | | | | | | **February 4, 2024** |
|---|---|---|---|---|---|---|---|
| | **Attributable to shareholders of the Corporation** | | | | | | |
| | **Capital stock** | **Contributed surplus** | **Retained earnings** | **Accumulated other comprehensive loss (Note 8)** | **Total** | **Non-controlling interests** | **Equity** |
| | **$** | **$** | **$** | **$** | **$** | **$** | **$** |
| **Balance, beginning of period** | **614.7** | **28.8** | **12,934.6** | **(1,013.6)** | **12,564.5** | **—** | **12,564.5** |
| Addition to non-controlling interests (Note 2) | | | | | **—** | **49.1** | **49.1** |
| Comprehensive income: | | | | | | | |
| Net earnings | | | **2,276.7** | | **2,276.7** | **1.0** | **2,277.7** |
| Other comprehensive income | | | | **56.7** | **56.7** | **(0.4)** | **56.3** |
| | | | | | **2,333.4** | **0.6** | **2,334.0** |
| Share repurchases (Note 9) | **(13.5)** | | **(1,065.3)** | | **(1,078.8)** | | **(1,078.8)** |
| Dividends declared | | | **(330.6)** | | **(330.6)** | | **(330.6)** |
| Transfer of realized gains on investments in equity instruments measured at fair value through Other comprehensive income (loss) | | | **13.3** | **(13.3)** | **—** | | **—** |
| Removal of accumulated losses on notional currency forwards (Note 2) | | | | **23.6** | **23.6** | | **23.6** |
| Redemption liability incurred (Note 3) | | | **(251.0)** | | **(251.0)** | | **(251.0)** |
| Changes in redemption liability (Note 3) | | | **0.8** | | **0.8** | | **0.8** |
| Stock option-based compensation expense | | **4.6** | | | **4.6** | | **4.6** |
| Exercise of stock options | **43.2** | **(10.2)** | | | **33.0** | | **33.0** |
| **Balance, end of period** | **644.4** | **23.2** | **13,578.5** | **(946.6)** | **13,299.5** | **49.7** | **13,349.2** |

| For the 40-week period ended | | | | | | | January 29, 2023 |
|---|---|---|---|---|---|---|---|
| | Attributable to shareholders of the Corporation | | | | | | |
| | Capital stock | Contributed surplus | Retained earnings | Accumulated other comprehensive loss (Note 8) | Total | Non-controlling interests | Equity |
| | $ | $ | $ | $ | $ | $ | $ |
| **Balance, beginning of period** | 639.9 | 25.8 | 12,521.0 | (749.1) | 12,437.6 | — | 12,437.6 |
| Comprehensive income: | | | | | | | |
| Net earnings | | | 2,420.2 | | 2,420.2 | — | 2,420.2 |
| Other comprehensive loss | | | | (220.4) | (220.4) | — | (220.4) |
| | | | | | 2,199.8 | — | 2,199.8 |
| Share repurchases | (31.9) | | (2,260.7) | | (2,292.6) | | (2,292.6) |
| Dividends declared | | | (275.5) | | (275.5) | | (275.5) |
| Transfer of realized gains on investments in equity instruments measured at fair value through other comprehensive income | | | 3.8 | (3.8) | — | | — |
| Stock option-based compensation expense | | 4.1 | | | 4.1 | | 4.1 |
| Exercise of stock options | 1.4 | (0.4) | | | 1.0 | | 1.0 |
| **Balance, end of period** | 609.4 | 29.5 | 12,408.8 | (973.3) | 12,074.4 | — | 12,074.4 |

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

# Consolidated Statements of Cash Flows

(in millions of US dollars, unaudited)

| | 16 weeks | | 40 weeks | |
|---|---|---|---|---|
| **For the periods ended** | **February 4, 2024** | January 29, 2023 | **February 4, 2024** | January 29, 2023 |
| | **$** | $ | **$** | $ |
| **Operating activities** | | | | |
| Net earnings | **624.4** | 737.4 | **2,277.7** | 2,420.2 |
| Adjustments to reconcile net earnings to net cash provided by operating activities | | | | |
| Depreciation, amortization, impairment and amortization of financing costs | **535.9** | 466.0 | **1,267.9** | 1,141.1 |
| Changes in non-cash working capital | **(207.0)** | (568.0) | **(343.9)** | (682.1) |
| Deferred income taxes | **63.7** | (3.4) | **85.7** | 43.2 |
| Non-operating foreign exchange (gain) loss | **(40.7)** | (18.3) | **(35.9)** | 63.5 |
| Net changes in commodity indexed deposits and fuel swaps (Note 11) | **(30.6)** | 30.1 | **23.4** | (85.4) |
| Share of earnings of joint ventures and associated companies, net of dividends received | **2.7** | 4.1 | **(2.0)** | 13.0 |
| Loss (gain) on disposal of property and equipment and other assets | **1.4** | (4.9) | **(1.9)** | (38.3) |
| Reclassification adjustment (Note 6) | **—** | — | **(32.9)** | — |
| Other | **25.0** | 10.9 | **59.7** | 46.5 |
| **Net cash provided by operating activities** | **974.8** | 653.9 | **3,297.8** | 2,921.7 |
| **Investing activities** | | | | |
| Business acquisitions (Note 2) | **(4,250.3)** | (14.5) | **(4,295.5)** | (224.8) |
| Purchase of property and equipment, intangible assets and other assets | **(612.6)** | (545.1) | **(1,325.7)** | (1,205.1) |
| Proceeds from disposal of investments in equity instruments and from repayments of loans granted to Fire & Flower (Notes 4 and 11) | **136.2** | — | **151.9** | 124.5 |
| Settlement of currency forward contracts (Note 2) | **16.6** | — | **16.6** | — |
| Proceeds from disposal of property and equipment and other assets | **7.9** | 26.4 | **45.5** | 105.9 |
| Change in restricted cash | **(3.8)** | 1.0 | **4.3** | 12.7 |
| Purchase of equity instruments, other financial assets and investments and loans related to Fire & Flower (Notes 4 and 11) | **(0.1)** | (24.5) | **(118.2)** | (52.6) |
| Investment in term deposits (Note 6) | **—** | — | **(520.9)** | — |
| Investment in a joint venture | **—** | — | **—** | (30.1) |
| **Net cash used in investing activities** | **(4,706.1)** | (556.7) | **(6,042.0)** | (1,269.5) |
| **Financing activities** | | | | |
| Increase in acquisition facility (Note 6) | **3,391.9** | — | **3,391.9** | — |
| Repayment of acquisition facility (Note 6) | **(369.6)** | — | **(369.6)** | — |
| Issuance of Canadian-dollar-denominated senior unsecured notes, net of financing costs (Note 6) | **369.4** | — | **961.3** | — |
| Net issuance of unsecured commercial paper notes (Note 6) | **343.8** | — | **654.1** | — |
| Share repurchases (Note 9) | **(175.9)** | (1,204.9) | **(1,078.8)** | (1,928.0) |
| Principal elements of lease payments | **(162.2)** | (120.5) | **(377.5)** | (328.0) |
| Cash dividends paid | **(126.2)** | (103.9) | **(330.6)** | (275.5) |
| Exercise of stock options | **21.0** | 0.2 | **33.0** | 1.0 |
| Net proceeds (payments) on other debts | **0.6** | (0.5) | **0.4** | (53.3) |
| **Net cash provided by (used in) financing activities** | **3,292.8** | (1,429.6) | **2,884.2** | (2,583.8) |
| Effect of exchange rate fluctuations on cash and cash equivalents | **38.1** | 9.6 | **30.1** | (78.8) |
| **Net (decrease) increase in cash and cash equivalents** | **(400.4)** | (1,322.8) | **170.1** | (1,010.4) |
| Cash and cash equivalents, beginning of period | **1,404.7** | 2,456.3 | **834.2** | 2,143.9 |
| Cash and cash equivalents, end of period (including $31.8 of bank overdrafts recorded under Other short-term financial liabilities as at February 4, 2024 (Note 3)) | **1,004.3** | 1,133.5 | **1,004.3** | 1,133.5 |
| **Supplemental information:** | | | | |
| Interest paid | **191.7** | 143.1 | **396.1** | 304.1 |
| Interest and dividends received | **51.9** | 44.9 | **130.4** | 93.0 |
| Income taxes paid, net | **295.6** | 365.2 | **680.4** | 533.0 |

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

# Consolidated Balance Sheets

(in millions of US dollars, unaudited)

| | As at February 4, 2024 | As at April 30, 2023 (adjusted, Note 1) |
|---|---|---|
| | $ | $ |
| **Assets** | | |
| Current assets | | |
| Cash and cash equivalents | **1,036.1** | 834.2 |
| Restricted cash | **9.5** | 13.8 |
| Accounts receivable | **2,776.5** | 2,298.5 |
| Inventories | **2,389.6** | 2,176.0 |
| Prepaid expenses | **125.7** | 151.6 |
| Other short-term financial assets (Notes 6 and 11) | **636.2** | 95.0 |
| Income taxes receivable | **114.5** | 100.5 |
| | **7,088.1** | 5,669.6 |
| Property and equipment | **13,285.1** | 11,873.2 |
| Right-of-use assets | **3,964.2** | 3,392.8 |
| Intangible assets | **876.0** | 772.5 |
| Goodwill (Note 2) | **10,235.7** | 6,612.5 |
| Other assets | **378.5** | 330.5 |
| Other long-term financial assets (Note 11) | **151.1** | 172.9 |
| Investments in joint ventures and associated companies | **185.6** | 183.4 |
| Deferred income taxes | **79.3** | 51.0 |
| | **36,243.6** | 29,058.4 |
| **Liabilities** | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | **5,287.9** | 4,499.4 |
| Short-term provisions | **145.0** | 147.9 |
| Other short-term financial liabilities (Notes 3 and 11) | **100.2** | 0.8 |
| Income taxes payable | **7.1** | 79.6 |
| Short-term debt and current portion of long-term debt (Note 6) | **2,162.9** | 0.7 |
| Current portion of lease liabilities | **503.2** | 438.1 |
| | **8,206.3** | 5,166.5 |
| Long-term debt (Note 6) | **8,376.0** | 5,888.3 |
| Lease liabilities | **3,648.5** | 3,146.5 |
| Long-term provisions | **685.8** | 647.7 |
| Pension benefit liability | **90.0** | 85.1 |
| Other long-term financial liabilities (Notes 3 and 11) | **299.8** | 93.8 |
| Deferred credits and other liabilities | **209.7** | 182.1 |
| Deferred income taxes | **1,378.3** | 1,283.9 |
| | **22,894.4** | 16,493.9 |
| **Equity** | | |
| Capital stock (Note 9) | **644.4** | 614.7 |
| Contributed surplus | **23.2** | 28.8 |
| Retained earnings | **13,578.5** | 12,934.6 |
| Accumulated other comprehensive loss (Note 8) | **(946.6)** | (1,013.6) |
| Equity attributable to shareholders of the Corporation | **13,299.5** | 12,564.5 |
| Non-controlling interests (Note 3) | **49.7** | — |
| | **13,349.2** | 12,564.5 |
| | **36,243.6** | 29,058.4 |

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

# Notes to the Unaudited Interim Condensed Consolidated Financial Statements

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

## 1. CONSOLIDATED FINANCIAL STATEMENTS PRESENTATION AND ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements (the "interim financial statements") have been prepared by the Corporation in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*.

Aside from the accounting policies related to the treatment of the redemption liability described in Note 3, these interim financial statements have been prepared in accordance with the same accounting policies and methods as the audited annual consolidated financial statements for the year ended April 30, 2023. The interim financial statements do not include all the information required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements and notes thereto in the Corporation's 2023 Annual Report (the "fiscal 2023 consolidated financial statements"). The results of operations for the interim periods presented do not necessarily reflect results expected for the full fiscal year. The Corporation's business follows a seasonal pattern. The busiest period is generally the first half-year of each fiscal year, which includes summer sales.

On March 20, 2024, the Corporation's interim financial statements were approved by the Board of Directors.

**Comparative figures**

During the 40-week period ended February 4, 2024, the Corporation has made adjustments and finalized its estimates of the fair value of assets acquired and liabilities assumed for the acquisition of True Blue Car Wash LLC ("True Blue"). As a result, changes were made to the following consolidated balance sheet accounts as at April 30, 2023: Property and equipment increased by $0.2, Intangible assets increased by $10.3, Right-of-use assets increased by $7.7, Accounts payable and accrued liabilities increased by $1.5, including an increase of $1.3 in consideration payable, and Lease liabilities increased by $7.7. Consequently, Goodwill decreased by $9.0. These changes did not result in any changes in the consolidated statement of earnings for the fiscal year ended April 30, 2023.

**New accounting policy adopted during the current fiscal year**

*Amendments to IAS 12 Income taxes*

In May 2023, the International Accounting Standards Board ("IASB") issued *International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)*, which was adopted by the Corporation during the 40-week period ended February 4, 2024. As a result, the Corporation has applied the exception to not recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. As a result of its evaluation, the Corporation does not expect that enacted or substantively enacted but not yet in effect Pillar Two legislation will have a significant impact on its consolidated financial statements.

**Recently issued accounting policies but not yet implemented**

In addition to the items described in the fiscal 2023 consolidated financial statements, the Corporation also expects that the following amendments will have an impact on its consolidated financial statements:

*Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures*

In May 2023, the IASB issued *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).* The amendments introduce new disclosure requirements related to supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, and will be applied by the Corporation starting April 29, 2024. The Corporation is currently evaluating the impact of these amendments on its consolidated financial statements.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

## 2. GOODWILL AND BUSINESS ACQUISITIONS

### Goodwill

| **40-week period ended February 4, 2024** | **$** |
|---|---|
| Net book amount, beginning of period | **6,612.5** |
| Business acquisitions | **3,649.9** |
| Effect of exchange rate variations | **(26.7)** |
| **Net book amount, end of period** | **10,235.7** |

### Business acquisitions

The Corporation has made the following business acquisitions:

**2024**

**Acquisition of certain European retail assets from TotalEnergies SE**

On December 28, 2023 and January 3, 2024, the Corporation closed the acquisition of 2,175 sites from TotalEnergies SE for a total cash consideration of €3,447.4 ($3,801.0), including preliminary adjustments, and subject to post closing adjustments. The retail assets included in the transaction cover 1,191 sites located in Germany, 562 sites in Belgium, 378 sites in the Netherlands, and 44 sites in Luxembourg, of which 1,492 sites are company-owned and 683 sites are dealer-owned. For the same sites included in the transaction, 19% are company-operated and 81% are dealer-operated. The transaction comprises 100% of TotalEnergies SE's retail assets in Germany and the Netherlands, as well as a 60% controlling interest in the Belgium and Luxembourg entities (together "Circle K Belgium SA" (Note 3)). The transaction was financed using the Corporation's available cash, United States commercial paper program and a new non-revolving credit facility (Note 6).

During the fiscal year ended April 30, 2023 and the 40-week period ended February 4, 2024, to mitigate the currency fluctuation risk associated with the Euro, the Corporation entered into Euro / US dollar currency forward contracts with financial institutions for a portion of the consideration, representing €1,600.0 and €298.0, respectively. For hedge accounting purposes, the Corporation notionally divided these currency forwards, with the Canadian dollar imputed as the base currency for two notional derivatives. The Euro / Canadian dollar notional derivatives were designated as a cashflow hedge of the Corporation's currency fluctuation risk associated with the transaction, and the Canadian dollar / US dollar notional derivatives were designated as a foreign exchange hedge of the Corporation's net investment in its operations in the United States. In relation with the closing of the transaction, the currency forwards were settled, resulting in accumulated losses of $23.6 for the Euro / Canadian dollar notional derivatives and accumulated gains of $40.2 for the Canadian dollar / US dollar notional derivatives. On December 28, 2023, the accumulated losses of $23.6 for the Euro / Canadian dollar notional derivatives were removed from Accumulated other comprehensive loss and were included as part of the consideration paid for the acquisition.

Given the timing and the size of this transaction, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and the goodwill related to this acquisition, mainly relating to property and equipment, right-of-use assets, intangible assets, provisions, lease liabilities and deferred income taxes. The preliminary estimates are therefore subject to adjustments to the fair value of the assets, liabilities, goodwill and non-controlling interests until the process is completed. Non-controlling interests at the acquisition date were measured based on proportionate share of Circle K Belgium SA's identifiable net assets.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The preliminary estimates of the fair value of assets acquired and liabilities assumed for this acquisition based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these interim financial statements are as follows:

| | $ |
|---|---|
| Tangible assets acquired | |
| Cash and cash equivalents | 118.4 |
| Accounts receivable | 780.6 |
| Inventories | 170.6 |
| Property and equipment | 748.0 |
| Right-of-use assets | 614.0 |
| Other assets | 7.0 |
| Total tangible assets | 2,438.6 |
| Liabilities assumed | |
| Accounts payable and accrued liabilities | 1,361.3 |
| Other short-term financial liabilities | 52.1 |
| Income taxes payable | 16.6 |
| Provisions | 21.8 |
| Lease liabilities | 613.4 |
| Pension benefit liability | 5.2 |
| Deferred credits and other liabilities | 16.1 |
| Deferred income taxes | 7.8 |
| Total liabilities assumed | 2,094.3 |
| Net tangible assets acquired | 344.3 |
| Intangible assets | 128.0 |
| Non-controlling interests | (49.1) |
| Goodwill | 3,401.4 |
| Total cash consideration to the seller | 3,801.0 |
| Basis adjustment for the Euro / Canadian dollar notional derivatives | 23.6 |
| Total consideration | 3,824.6 |
| Cash and cash equivalents acquired, including bank overdrafts of $52.1 | (66.3) |
| Net cash flow for the acquisition | 3,758.3 |

This acquisition was concluded in order to penetrate new strategic markets and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that all of the goodwill related to the German entities will be deductible for tax purposes, while it expects that none of the goodwill related to the Netherlands entities and Circle K Belgium SA will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings from this acquisition amounted to $996.9 and $14.4, respectively.

**Acquisition of convenience retail and fuel sites operating under the MAPCO brand**

On November 1, 2023, the Corporation closed the acquisition of 112 company-owned and operated convenience retail and fuel sites operating under the MAPCO brand and located in the states of Alabama, Georgia, Kentucky, Mississippi and Tennessee, in the United States. The acquisition also includes surplus properties and a logistics fleet. The transaction was settled for a consideration of $468.6, subject to post closing adjustments, and was financed using the Corporation's available cash and its United States commercial paper program. The Corporation owns the building and the land for 84 sites and owns the building while leasing the land for 28 sites.

Given the timing and the size of this transaction, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and the goodwill related to this acquisition, mainly relating to property and equipment, right-of-use assets, provisions, lease liabilities and deferred income taxes. The preliminary estimates are therefore subject to adjustments to the fair value of the assets, liabilities and goodwill until the process is completed.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The preliminary estimates of the fair value of assets acquired and liabilities assumed for this acquisition based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these interim financial statements are as follows:

| | $ |
|---|---|
| Tangible assets acquired | |
| Inventories | 16.7 |
| Property and equipment | 245.3 |
| Right-of-use assets | 15.8 |
| Total tangible assets | 277.8 |
| Liabilities assumed | |
| Accounts payable and accrued liabilities | 17.1 |
| Provisions | 3.3 |
| Lease liabilities | 15.8 |
| Total liabilities assumed | 36.2 |
| Net tangible assets acquired | 241.6 |
| Intangible assets | 0.8 |
| Goodwill | 226.2 |
| Total consideration | 468.6 |

This acquisition was concluded in order to expand the Corporation’s market share and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that all of the goodwill related to this transaction will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings from this acquisition amounted to $161.8 and $7.4, respectively.

On a pro forma basis and considering associated financing costs, had the Corporation concluded the acquisition of certain European retail assets from TotalEnergies SE and the acquisition of convenience retail and fuel sites operating under the MAPCO brand at the beginning of its fiscal year, the Corporation's estimated total revenues and net earnings would have amounted to $59,700.0 and $2,345.0, respectively.

**Other acquisitions**

During the 40-week period ended February 4, 2024, the Corporation acquired 27 company-operated stores, for which it owns the building and the land for 16 sites, owns the building while leasing the land for 7 sites and leases the building and the land for the other sites. These transactions were settled for a total consideration of $91.0 using available cash and generated goodwill for an amount of $22.3. Given the timing of these transactions, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed, and the resulting goodwill, namely for property and equipment.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The preliminary estimates of the fair value of the assets acquired and the liabilities assumed for these acquisitions, based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these interim financial statements, are as follows:

| | $ |
|---|---|
| Tangible assets acquired | |
| Cash and cash equivalents | 0.1 |
| Inventories | 4.4 |
| Prepaid expenses | 0.3 |
| Property and equipment | 54.1 |
| Right-of-use assets | 6.1 |
| Total tangible assets | 65.0 |
| Liabilities assumed | |
| Accounts payable and accrued liabilities | 0.2 |
| Provisions | 0.6 |
| Lease liabilities | 6.1 |
| Total liabilities assumed | 6.9 |
| Net tangible assets acquired | 58.1 |
| Intangible assets | 10.6 |
| Goodwill | 22.3 |
| Total consideration | 91.0 |
| Cash and cash equivalents acquired | (0.1) |
| Net cash flow for the acquisitions | 90.9 |

These acquisitions were concluded in order to expand the Corporation's market shares and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that almost all of the goodwill related to these transactions will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings attributable to shareholders of the Corporation from these stores amounted to $47.9 and $1.7, respectively. Considering the size and the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

For the 40-week period ended February 4, 2024, acquisition costs of $13.3 in connection with the acquisitions closed during this period and other unrealized and ongoing acquisitions are included in Operating, selling, general and administrative expenses.

**2023**

**Acquisition of True Blue Car Wash LLC**

On February 8, 2023, the Corporation acquired all of the memberships interests of True Blue. True Blue operates 65 express tunnel car wash sites under the brands Clean Freak and Rainstorm, in the Midwest and Southwest regions of the United States. The transaction was settled for a consideration of $303.5 and was financed using borrowings available under the Corporation's United States commercial paper program and available cash.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The final estimates of the fair value of assets acquired and liabilities assumed for the True Blue acquisition are as follows:

| | Preliminary estimate | Changes | Final estimate |
|---|---|---|---|
| | $ | $ | $ |
| Identifiable assets acquired | | | |
| Current assets | | | |
| Cash and cash equivalents | 3.4 | — | 3.4 |
| Accounts receivable | 0.3 | — | 0.3 |
| Inventories | 0.2 | — | 0.2 |
| Prepaid expenses | 0.3 | — | 0.3 |
| | 4.2 | — | 4.2 |
| Property and equipment | 43.5 | 0.2 | 43.7 |
| Right-of-use assets | 183.8 | 7.7 | 191.5 |
| Intangible assets | 38.5 | 10.3 | 48.8 |
| Other assets | 0.2 | — | 0.2 |
| Total identifiable assets | 270.2 | 18.2 | 288.4 |
| Liabilities assumed | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 9.3 | 0.2 | 9.5 |
| Current portion of long-term debt | 92.2 | — | 92.2 |
| Current portion of lease liabilities | 6.3 | — | 6.3 |
| | 107.8 | 0.2 | 108.0 |
| Lease liabilities | 176.5 | 7.7 | 184.2 |
| Total liabilities assumed | 284.3 | 7.9 | 292.2 |
| Net liabilities assumed | (14.1) | 10.3 | (3.8) |
| Goodwill | 316.3 | (9.0) | 307.3 |
| Total consideration | 302.2 | 1.3 | 303.5 |
| Cash and cash equivalents acquired | (3.4) | — | (3.4) |
| Net cash flow for the acquisition | 298.8 | 1.3 | 300.1 |

**Other acquisitions**

Given the timing and the size of certain business acquisitions concluded during the fiscal year ended April 30, 2023, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and the resulting goodwill and there were no changes to the preliminary estimates of the fair value of assets acquired and liabilities assumed presented in Note 4 of the fiscal 2023 consolidated financial statements for those acquisitions. The preliminary estimates are therefore subject to adjustments to the fair value of the assets, liabilities and goodwill until the processes are completed, mainly related to property and equipment.

## 3. CIRCLE K BELGIUM SA

In relation with the acquisition of certain European retail assets from TotalEnergies SE (Note 2), the Corporation acquired a 60% ownership interest in Circle K Belgium SA, a company established in Belgium and which, together with its wholly-owned subsidiaries, operates the sites located in Belgium and Luxembourg. Following the evaluation of its relationship with Circle K Belgium SA, the Corporation concluded that it controls the company's operations and as a result, the Corporation fully consolidates Circle K Belgium SA in its consolidated financial statements. The consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the 16 and 40-week periods ended February 4, 2024 include those of Circle K Belgium SA for the period beginning January 3, 2024 and ending February 4, 2024. As at February 4, 2024, the Corporation held a 60% ownership interest in Circle K Belgium SA.

The Corporation and TotalEnergies Marketing Belgium SA, which holds the remaining 40% ownership interest in this entity, entered into a shareholder’s agreement which entitles each of the parties, at their sole discretion after a period of two years following the closing of the transaction and as long as the shareholder’s agreement is in force, to sell its ownership interests to the other party. As a result, a redemption liability of $251.0, representing the present value of the estimated redemption amount for the remaining 40% ownership interest as at January 3, 2024, was recorded to Other long-term financial liabilities on the consolidated balance sheet, with an equivalent amount reclassified from Retained earnings. Subsequent to the initial recognition of the redemption liability, the effects of its discounting and any changes to the gross redemption amount are recorded to Retained earnings. As at February 4, 2024, the redemption liability amounted to $250.2.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The tables below present summarized financial information about the assets, liabilities, earnings, comprehensive income and cash flows of Circle K Belgium SA's:

| Statements of Earnings and Comprehensive Income for the period from January 3, 2024 to February 4, 2024 | $ |
|---|---|
| Revenues | **270.2** |
| Net earnings | **2.6** |
| Comprehensive income | **(2.4)** |

| Statement of Cash Flows for the period from January 3, 2024 to February 4, 2024 | $ |
|---|---|
| Net cash used in operating activities | **15.6** |
| Net cash used in investing activities | **(0.9)** |
| Net cash used in financing activities | **(1.9)** |

| Balance Sheet as at February 4, 2024 | $ |
|---|---|
| Current assets | **381.8** |
| Long-term assets | **1,052.1** |
| Current liabilities (including bank overdrafts of $31.8 recorded under Other short-term financial liabilities) | **427.1** |
| Long-term liabilities | **185.5** |

## 4. INVESTMENTS IN FIRE & FLOWER HOLDINGS CORP. (“FIRE & FLOWER”)

On June 6, 2023, following the reception by Fire & Flower of an order for creditor protection under the *Companies’ Creditors Arrangement Act*, the Corporation executed a facility agreement with Fire & Flower pursuant to which it agreed to advance a CA $9.8 ($7.2) debtor-in-possession loan. On June 21, 2023, the Ontario Superior Court of Justice approved a Sales and Investment Solicitation Process (“SISP”) which concluded with a sale transaction with a successful bidder on September 15, 2023. As a result, the principal and accrued interests related to the debtor-in-possession loan and a CA $11.0 ($8.0) secured loan, which was granted to Fire & Flower, were repaid, and the Corporation’s ownership interest in Fire & Flower was cancelled. During the 40-week period ended February 4, 2024, losses of $3.5 were recorded, bringing the carrying amount of the Corporation’s ownership interest in Fire & Flower to nil.

On June 30, 2023, the unsecured convertible debentures matured without being converted and the Series C Warrants expired without being exercised. As at February 4, 2024, the CA $2.4 ($1.8) outstanding principal of unsecured debentures had a carrying amount of nil.

## 5. FINANCIAL EXPENSES AND OTHER FINANCIAL ITEMS

| | 16 weeks | | 40 weeks | |
|---|---|---|---|---|
| For the periods ended | **February 4, 2024** | January 29, 2023 | **February 4, 2024** | January 29, 2023 |
| | **$** | $ | **$** | $ |
| Financial expenses | | | | |
| Interest on short-term debt and long-term debt | **129.0** | 80.8 | **272.7** | 186.5 |
| Interest on lease liabilities | **39.1** | 28.8 | **91.0** | 69.4 |
| Accretion of provisions | **9.4** | 5.8 | **23.0** | 14.2 |
| Other finance costs | **12.5** | 6.0 | **16.7** | 10.8 |
| | **190.0** | 121.4 | **403.4** | 280.9 |
| Other financial items | | | | |
| Interest on bank deposits and term deposits | **(52.4)** | (37.9) | **(117.9)** | (67.0) |
| Other financial revenues | **(1.9)** | (2.7) | **(5.0)** | (6.4) |
| Change in fair value of financial instruments classified at fair value through earnings or loss | **—** | 0.1 | **11.8** | (0.9) |
| Reclassification adjustment (Note 6) | **—** | — | **(32.9)** | — |
| | **(54.3)** | (40.5) | **(144.0)** | (74.3) |

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

## 6. SHORT-TERM DEBT AND LONG-TERM DEBT

| | **As at February 4, 2024** | As at April 30, 2023 |
|---|---|---|
| | **$** | $ |
| US-dollar-denominated senior unsecured notes, maturing from July 2027 to May 2051 | **3,970.9** | 3,969.5 |
| Acquisition facility[(a)] | **3,010.9** | — |
| Canadian-dollar-denominated senior unsecured notes, maturing from July 2024 to September 2030[(b)] | **2,012.4** | 1,025.2 |
| Euro-denominated senior unsecured notes, maturing in May 2026 | **815.0** | 821.9 |
| NOK-denominated senior unsecured notes, maturing in February 2026 | **64.4** | 62.7 |
| Unsecured commercial paper notes, maturing from February to April 2024[(c)] | **655.2** | — |
| Other debts | **10.1** | 9.7 |
| | **10,538.9** | 5,889.0 |
| Short-term debt and current portion of long-term debt | **2,162.9** | 0.7 |
| Long-term portion of long-term debt | **8,376.0** | 5,888.3 |

### (a) Acquisition facility

On December 12, 2023, the Corporation entered into a new credit agreement consisting of a non-revolving credit facility of an aggregate maximum amount of $1,750.0 and €1,500.0 (the "acquisition facility"), divided into three tranches as follows:

| | **Principal amount** | **Maturity** |
|---|---|---|
| Tranche A | $700.0 and €600.0 | December 12, 2024 |
| Tranche B | $525.0 and €450.0 | December 12, 2025 |
| Tranche C | $525.0 and €450.0 | December 12, 2026 |

The acquisition facility was available exclusively to finance the acquisition of certain European retail assets from TotalEnergies SE and the related acquisition costs (Note 2). The acquisition facility was available in US dollars and in Euro by way of loans bearing interest at the US base rate, SOFR or EURIBOR plus a variable margin.

As at February 4, 2024, the weighted average effective interest rate of the outstanding indebtedness under the acquisition facility was 5.78% and the Corporation was in compliance with the restrictive covenants and ratios imposed by the credit facility agreement. Subsequent to the end of the quarter, and following the issuance of senior unsecured notes described below, this acquisition facility was fully repaid.

### (b) Canadian-dollar-denominated senior unsecured notes

During the 40-week period ended February 4, 2024, the Corporation issued the following Canadian-dollar-denominated senior unsecured notes:

| **Issuance date** | **Principal amount** | **Maturity** | **Coupon rate** | **Effective rate** | **Interest payment dates** |
|---|---|---|---|---|---|
| January 25, 2024 | CA $500.0 | January 25, 2029 | 4.60% | 4.74% | July 25th and January 25th |
| September 25, 2023 | CA $800.0 | September 25, 2030 | 5.59% | 5.70% | March 25th and September 25th |

The Corporation used the $591.9 net proceeds from the September 25, 2023 issuance for corporate purposes as well as to invest an amount of CA $700.0 ($523.4 as at February 4, 2024) in term deposits with major financial institutions which meet the Corporation's minimum credit ratings requirements. The term deposits will mature on July 23, 2024, bear interest at a weighted average annual rate of 6.15%, and are classified in Other short-term financial assets on the consolidated balance sheet. The Corporation used the $369.4 net proceeds from the January 25, 2024 issuance to partially repay outstanding indebtedness under the acquisition facility.

Following the September 25, 2023 issuance and in relation with the future repayment of the Canadian-dollar-denominated senior unsecured notes and associated cross-currency interest rate swaps maturing on July 26, 2024, the Corporation has entered into currency forward contracts with the following terms:

| **Receive - Notional** | **Pay - Notional** | **Exchange rate (Canadian dollar per US dollar)** | **Maturity date** |
|---|---|---|---|
| $260.6 | CA $350.0 | From 1.3391 to 1.3481 | July 2024 |

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The changes in fair value of these currency forward contracts are recognized in the consolidated statements of earnings as foreign exchange gain or loss and they were classified in Other short-term financial liabilities on the consolidated balance sheet as at February 4, 2024.

As a result of the September 25, 2023 issuance, the Corporation determined that an anticipated issuance of US-dollar-denominated senior unsecured notes, for which the proceeds were intended to be used for the repayment of the Canadian-dollar-denominated senior unsecured notes maturing in July 2024, was no longer expected to occur. The Corporation had designated the following forward starting interest rate swaps as a cash flow hedge of its interest rate risk related to the variability of the interest payments on the anticipated issuance, which led to a pre-tax reclassification adjustment of $32.9 from Other comprehensive income (loss) to Other financial items in the consolidated statement of earnings.

| Issuance year | Notional amount | Interest rate swaps terms | Rate | Maturity date |
|---|---|---|---|---|
| 2022 | $275.0 | 10 years | From 2.06% to 2.26% | July 2024 |

Following the reclassification adjustment, the Corporation designated these forward starting interest rate swaps as a cash flow hedge of its interest rate risk related to the variability of the interest payments on the anticipated issuance of US-dollar-denominated senior unsecured notes in calendar year 2024.

Following the January 25, 2024 issuance, the Corporation entered into cross-currency interest rate swaps agreements, allowing it to synthetically convert the Canadian-dollar-denominated senior unsecured notes stemming from the issuance into Euros, with the following terms:

| Receive – Notional | Receive – Rate | Pay – Notional | Pay – Rate | Maturity date |
|---|---|---|---|---|
| CA $500.0 | 4.60% | €341.4 | 3.58% | January 25, 2029 |

The Corporation designates these cross-currency interest rate swaps as a foreign exchange hedge of its net investment in its Eurozone operations and changes in their fair value are recognized to Other comprehensive income (loss). They were classified in Other long-term financial liabilities on the consolidated balance sheet as at February 4, 2024.

**(c) United States commercial paper program**

As at February 4, 2024, the weighted average effective interest rate of the outstanding unsecured commercial paper notes was 5.63%.

**Term revolving unsecured operating credit facility**

As at February 4, 2024, the operating credit facility was not used, and the Corporation was in compliance with the restrictive covenants and ratios imposed by the credit facility agreement.

**Issuance of senior unsecured notes subsequent to the end of the third quarter of fiscal 2024**

On February 12, 2024, subsequent to the end of the third quarter of fiscal 2024, the Corporation issued the following senior unsecured notes:

| Principal amount | Maturity | Coupon rate | Interest payment dates |
|---|---|---|---|
| €700.0 | May 12, 2031 | 3.65% | May 12th (1) |
| $900.0 | February 12, 2034 | 5.27% | August 12th and February 12th |
| €650.0 | February 12, 2036 | 4.01% | February 12th |
| $600.0 | February 12, 2054 | 5.62% | August 12th and February 12th |

(1) The first interest payments of the €700.0 Euro-denominated senior unsecured notes are due on May 12, 2025.

The Corporation used the net proceeds from these issuances to repay outstanding indebtedness under its acquisition facility. Subsequent to the end of the third quarter of fiscal 2024 and following the issuance of these senior unsecured notes, the Corporation settled, prior to their maturity, certain forward starting interest rate swaps for net proceeds of $50.7.

## 7. NET EARNINGS PER SHARE

The following tables present the information for the computation of basic and diluted net earnings per share:

| | **16-week period ended February 4, 2024** | | | 16-week period ended January 29, 2023 | | |
|---|---|---|---|---|---|---|
| | **Net earnings attributable to shareholders of the Corporation** | **Weighted average number of shares (in millions)** | **Net earnings per share** | Net earnings attributable to shareholders of the Corporation | Weighted average number of shares (in millions) | Net earnings per share |
| | **$** | | **$** | $ | | $ |
| Basic net earnings attributable to shareholders of the Corporation | **623.4** | **962.5** | **0.65** | 737.4 | 1,004.0 | 0.73 |
| Dilutive effect of stock options | **—** | **1.3** | **—** | — | 1.9 | — |
| Diluted net earnings attributable to shareholders of the Corporation | **623.4** | **963.8** | **0.65** | 737.4 | 1,005.9 | 0.73 |

| | **40-week period ended February 4, 2024** | | | 40-week period ended January 29, 2023 | | |
|---|---|---|---|---|---|---|
| | **Net earnings attributable to shareholders of the Corporation** | **Weighted average number of shares (in millions)** | **Net earnings per share** | Net earnings attributable to shareholders of the Corporation | Weighted average number of shares (in millions) | Net earnings per share |
| | **$** | | **$** | $ | | $ |
| Basic net earnings attributable to shareholders of the Corporation | **2,276.7** | **968.5** | **2.35** | 2,420.2 | 1,015.6 | 2.38 |
| Dilutive effect of stock options | **—** | **1.6** | **—** | — | 1.7 | — |
| Diluted net earnings attributable to shareholders of the Corporation | **2,276.7** | **970.1** | **2.35** | 2,420.2 | 1,017.3 | 2.38 |

When they have an antidilutive effect, stock options must be excluded from the calculation of the diluted net earnings per share. For each of the 16 and 40-week periods ended February 4, 2024, 14,198 stock options were excluded (nil for each of the 16 and 40-week periods ended January 29, 2023).

## 8. ACCUMULATED OTHER COMPREHENSIVE LOSS

| | **Attributable to shareholders of the Corporation** | | | | | |
|---|---|---|---|---|---|---|
| | **Cumulative translation adjustments[(a)]** | **Net investment hedge[(a)]** | **Cash flow hedge[(a)(c)]** | **Cumulative net actuarial gain[(b)]** | **Investments in equity instruments measured at fair value through Other comprehensive income (loss)[(b)]** | **Accumulated other comprehensive loss** |
| | **$** | **$** | **$** | **$** | **$** | **$** |
| **40-week period ended February 4, 2024** | | | | | | |
| **Balance, beginning of period** | **(764.4)** | **(341.6)** | **54.1** | **36.7** | **1.6** | **(1,013.6)** |
| **Other comprehensive income (loss)** | **41.6** | **26.3** | **(30.5)** | **8.7** | **10.2** | **56.3** |
| **Other comprehensive loss attributable to non-controlling interests** | **0.4** | **—** | **—** | **—** | **—** | **0.4** |
| **Transfer of realized gains on investments in equity instruments measured at fair value through Other comprehensive income (loss)** | **—** | **—** | **—** | **—** | **(13.3)** | **(13.3)** |
| **Removal of accumulated losses on notional currency forwards (Note 2)** | **—** | **—** | **23.6** | **—** | **—** | **23.6** |
| **Balance, end of period** | **(722.4)** | **(315.3)** | **47.2** | **45.4** | **(1.5)** | **(946.6)** |
| 40-week period ended January 29, 2023 | | | | | | |
| Balance, beginning of period | (522.5) | (292.4) | 21.2 | 33.1 | 11.5 | (749.1) |
| Other comprehensive (loss) income | (184.2) | (46.6) | 13.1 | 5.6 | (8.3) | (220.4) |
| Transfer of realized gains on investments in equity instruments measured at fair value through Other comprehensive income (loss) | — | — | — | — | (3.8) | (3.8) |
| Balance, end of period | (706.7) | (339.0) | 34.3 | 38.7 | (0.6) | (973.3) |

(a) May be reclassified subsequently to earnings.
(b) Will never be reclassified to earnings.
(c) For the 40-week period ended February 4, 2024, includes a reclassification adjustment of $28.5 (net of income taxes of $4.4) in relation with a forecasted transaction no longer expected to occur (Note 6).

## 9. CAPITAL STOCK

### Issued and outstanding shares

The table below presents the changes in the number of shares for the 40-week period ended February 4, 2024:

| **Common shares (in millions)** | |
|---|---|
| Balance, beginning of period | **981.3** |
| Share repurchases[(a)] | **(21.3)** |
| Issuance of shares on stock options exercised[(b)] | **1.8** |
| Balance, end of period | **961.8** |

### (a) Share repurchase program

On April 26, 2023, the Toronto Stock Exchange approved the renewal of the Corporation's share repurchase program, which took effect on May 1, 2023. The renewed share repurchase program allows the Corporation to repurchase up to 49,066,629 shares, representing 5.0% of the shares outstanding as at April 20, 2023, and the share repurchase period will end no later than April 30, 2024. During the 16 and 40-week periods ended February 4, 2024, the Corporation repurchased 3,108,300 and 21,332,537 shares, respectively. These repurchases were settled for amounts of $175.9 and $1,078.8, respectively.

When making such repurchases, the number of shares in circulation is reduced and the proportionate interest of all remaining shareholders in the Corporation's share capital is increased on a pro rata basis. All shares repurchased under the share repurchase program were cancelled upon their repurchase. An automatic securities purchase plan, which was pre-cleared by the Toronto Stock Exchange, is also in place and could allow a designated broker to repurchase the Corporation's shares on its behalf within parameters established by the Corporation.

### (b) Stock options

The table below presents the status of the Corporation's stock option plan as at February 4, 2024, and January 29, 2023, and the changes therein during the periods then ended:

| **For the 40-week periods ended** | **February 4, 2024** | January 29, 2023 |
|---|---|---|
| **Number of stock options (in thousands)** | | |
| Outstanding, beginning of period | **3,417.7** | 3,423.7 |
| Granted | **397.8** | 425.7 |
| Exercised | **(1,754.3)** | (78.4) |
| Forfeited | **(17.7)** | (10.3) |
| Outstanding, end of period | **2,043.5** | 3,760.7 |

The description of the Corporation's stock-based compensation plan is included in Note 28 of the fiscal 2023 consolidated financial statements.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

## 10. SEGMENTED INFORMATION

The Corporation operates convenience stores in the United States, in Europe and Asia, which are presented together as Europe and other regions, and in Canada. It operates in one reportable segment, the sale of goods for immediate consumption, road transportation fuel and other products mainly through company-operated and franchised stores. The Corporation operates its convenience store chain under various banners, including Circle K, Couche-Tard, Holiday, and Ingo. Revenues from external customers mainly fall into three categories: merchandise and service, road transportation fuel and other.

Information on the principal revenue categories as well as geographic information is as follows:

| | **16-week period ended February 4, 2024** | | | | 16-week period ended January 29, 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | **United States** | **Europe and other regions** | **Canada** | **Total** | United States | Europe and other regions | Canada | Total |
| | **$** | **$** | **$** | **$** | $ | $ | $ | $ |
| **External customer revenues[a]** | | | | | | | | |
| Merchandise and service | **3,569.3** | **787.5** | **682.8** | **5,039.6** | 3,541.6 | 713.0 | 706.6 | 4,961.2 |
| Road transportation fuel | **8,737.7** | **3,918.5** | **1,676.8** | **14,333.0** | 9,411.5 | 3,475.5 | 1,828.2 | 14,715.2 |
| Other | **11.0** | **227.5** | **10.9** | **249.4** | 14.2 | 343.2 | 21.3 | 378.7 |
| | **12,318.0** | **4,933.5** | **2,370.5** | **19,622.0** | 12,967.3 | 4,531.7 | 2,556.1 | 20,055.1 |
| **External customer revenues less Cost of sales, excluding depreciation, amortization and impairment** | | | | | | | | |
| Merchandise and service | **1,179.8** | **309.0** | **233.5** | **1,722.3** | 1,175.5 | 266.1 | 228.2 | 1,669.8 |
| Road transportation fuel | **1,191.8** | **311.2** | **162.6** | **1,665.6** | 1,265.9 | 252.8 | 163.5 | 1,682.2 |
| Other | **11.0** | **33.3** | **9.3** | **53.6** | 14.2 | 23.6 | 10.7 | 48.5 |
| | **2,382.6** | **653.5** | **405.4** | **3,441.5** | 2,455.6 | 542.5 | 402.4 | 3,400.5 |

| | **40-week period ended February 4, 2024** | | | | 40-week period ended January 29, 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | **United States** | **Europe and other regions** | **Canada** | **Total** | United States | Europe and other regions | Canada | Total |
| | **$** | **$** | **$** | **$** | $ | $ | $ | $ |
| **External customer revenues[a]** | | | | | | | | |
| Merchandise and service | **9,511.3** | **1,980.4** | **1,937.5** | **13,429.2** | 9,349.5 | 1,801.0 | 1,955.0 | 13,105.5 |
| Road transportation fuel | **24,322.6** | **8,769.4** | **4,632.1** | **37,724.1** | 27,328.9 | 9,288.9 | 4,943.1 | 41,560.9 |
| Other | **28.7** | **461.0** | **27.8** | **517.5** | 32.4 | 859.3 | 34.2 | 925.9 |
| | **33,862.6** | **11,210.8** | **6,597.4** | **51,670.8** | 36,710.8 | 11,949.2 | 6,932.3 | 55,592.3 |
| **External customer revenues less Cost of sales, excluding depreciation, amortization and impairment** | | | | | | | | |
| Merchandise and service | **3,230.8** | **777.8** | **654.3** | **4,662.9** | 3,148.3 | 685.9 | 642.1 | 4,476.3 |
| Road transportation fuel | **3,330.8** | **761.6** | **437.1** | **4,529.5** | 3,355.3 | 775.3 | 420.8 | 4,551.4 |
| Other | **28.7** | **72.2** | **23.1** | **124.0** | 32.4 | 61.8 | 21.6 | 115.8 |
| | **6,590.3** | **1,611.6** | **1,114.5** | **9,316.4** | 6,536.0 | 1,523.0 | 1,084.5 | 9,143.5 |
| **Total long-term assets[a][b][c]** | **16,664.4** | **8,935.3** | **2,971.0** | **28,570.7** | 14,560.8 | 4,060.4 | 2,981.1 | 21,602.3 |

(a) Geographic areas are determined according to where the Corporation generates operating income (where the sale takes place) and according to the location of the long-term assets.

(b) Excluding financial instruments, deferred tax assets and post-employment benefit assets.

(c) Comparative figures as at January 29, 2023 were adjusted from $2,963.3 to $2,981.1 for Canada to reflect the finalization of the estimates of the fair value of assets acquired and liabilities assumed for the acquisition of Cape D'Or Holdings Limited, Barrington Terminals Limited and other related holding entities.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

### 11. FAIR VALUE

The fair value of trade accounts receivable, proprietary cards receivable and vendor rebates receivable, credit and debit cards receivable from payment-processing providers, term deposits, secured loan granted to Fire & Flower (as at April 30, 2023, Note 3), accounts payable and accrued liabilities and outstanding unsecured commercial paper notes is comparable to their carrying amounts given their short maturity. The carrying amounts of the three tranches of the acquisition facility approximate their fair value given that their credit spreads are similar to the credit spread the Corporation would obtain under similar conditions at the reporting date.

The estimated fair value of each class of financial instruments, the methods and assumptions that were used to determine them and their fair value hierarchy are as follows:

*Financial instruments at fair value on the consolidated balance sheets:*

| | Estimated fair value as at | | Consolidated balance sheets classification | Methods and assumptions used | Fair value hierarchy |
|---|---|---|---|---|---|
| | **February 4, 2024** | April 30, 2023 | | | |
| | **$** | $ | | | |
| Share units total return swaps - Current | **19.9** | 10.8 | Other short-term financial assets | Fair market value of the Corporation's shares | Level 2 |
| Share units total return swaps - Non-current | **25.3** | 15.8 | Other long-term financial assets | | |
| Commodity indexed deposits | **26.2** | 20.1 | Other short-term financial assets | Market rates | Level 2 |
| Currency forwards | **—** | 41.9 | Other short-term financial assets | Market rates | Level 2 |
| Forward starting interest rate swaps | **66.3** | — | Other short-term financial assets | Market rates | Level 2 |
| Forward starting interest rate swaps | **30.2** | 37.5 | Other long-term financial assets | Market rates | Level 2 |
| Forward starting interest rate swaps | **(21.7)** | — | Other short-term financial liabilities | Market rates | Level 2 |
| Forward starting interest rate swaps | **—** | (3.1) | Other long-term financial liabilities | Market rates | Level 2 |
| Fuel swaps | **—** | 19.7 | Other short-term financial assets | Market rates | Level 2 |
| Fuel swaps | **(9.8)** | — | Other short-term financial liabilities | Market rates | Level 2 |
| Investments in equity instruments | **15.7** | 30.0 | Other long-term financial assets | Unadjusted quoted prices | Level 1 |
| Investments in equity instruments | **69.8** | 79.5 | Other long-term financial assets | Latest transactions / Cessation of operations | Level 3 |
| Investments in other financial assets | **10.1** | 10.1 | Other long-term financial assets | Latest transactions / Cessation of operations | Level 3 |
| Currency put and call options | **—** | (0.8) | Other short-term financial liabilities | Market rates | Level 2 |
| Cross-currency interest rate swaps | **(36.9)** | — | Other short-term financial liabilities | Market rates | Level 2 |
| Cross-currency interest rate swaps | **(49.6)** | (90.7) | Other long-term financial liabilities | Market rates | Level 2 |
| Other currency derivatives | **0.4** | 0.5 | Other short-term financial assets | Market rates | Level 2 |
| Unsecured convertible debentures and common share warrants | **—** | 2.0 | Other short-term financial assets | Longstaff-Schwartz / Monte Carlo / Black-Scholes | Level 3 |

The table below shows the amounts related to the investments in equity instruments (Level 3) and investments in other financial assets (Level 3) presented on the consolidated balance sheets:

| | Estimated fair value |
|---|---|
| | **$** |
| **40-week period ended February 4, 2024** | |
| Balance, beginning of period | **89.6** |
| Purchases | **0.1** |
| Loss recognized in Other financial items[(1)] | **(9.8)** |
| **Balance, end of period** | **79.9** |

(1) Related to financial instruments still held by the Corporation as at February 4, 2024.

The valuations of these financial instruments were mainly based on prices for similar instruments stemming from larger private investments. Subsequently, in order to determine if any adjustments to their fair value is required, the Corporation performs an ongoing review of its investments. A number of factors are reviewed and monitored including, but not limited to, current operating performance of investees as well as changes in their respective market, economic and financing environment over time. As at February 4, 2024, following its review, the Corporation determined that sensitivity to unobservable inputs is not deemed to have a significant impact on the estimated fair value of those financial instruments given the limited impact of the few underlying assumptions used in their valuation.

(in millions of US dollars, except per share and stock option data, or unless otherwise noted)

The Corporation performs the valuation of its financial instruments required for financial reporting purposes, including Level 2 and Level 3 fair values. Changes in Level 2 and Level 3 fair values are analyzed at the end of each reporting period by the Corporation and reports explaining the reasons for the fair value movements are presented to the Corporation's management.

*Financial instruments not at fair value on the consolidated balance sheets:*

The table below presents the fair value, which is based on unadjusted quoted prices (Level 1) or on observable market data (Level 2), and the carrying value of the Corporation's senior unsecured notes which are not measured at fair value on the consolidated balance sheets:

| | **As at February 4, 2024** | | As at April 30, 2023 | |
|---|---|---|---|---|
| | **Carrying value** | **Fair value** | Carrying value | Fair value |
| | **$** | **$** | $ | $ |
| US-dollar-denominated senior unsecured notes (Level 2) | **3,970.9** | **3,370.9** | 3,969.5 | 3,309.2 |
| Canadian-dollar-denominated senior unsecured notes (Level 1) | **2,012.4** | **2,038.7** | 1,025.2 | 1,004.3 |
| Euro-denominated senior unsecured notes (Level 2) | **815.0** | **788.0** | 821.9 | 777.4 |
| NOK-denominated senior unsecured notes (Level 2) | **64.4** | **63.0** | 62.7 | 61.5 |

## 12. DIVIDENDS

During its March 20, 2024 meeting, the Board of Directors declared a quarterly dividend of CA 17.5¢ per share for the third quarter of fiscal 2024 to shareholders on record as at April 1, 2024, and approved its payment effective April 15, 2024. This is an eligible dividend within the meaning of the *Income Tax Act* (Canada).