

CANADA GOOSE HOLDINGS INC.

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

For the third and three quarters ended December 28, 2025

The following Management's Discussion and Analysis ("MD&A") for Canada Goose Holdings Inc. ("us," "we," "our," "Canada Goose" or the "Company") is dated February 4, 2026 and provides information concerning our results of operations and financial condition for the third and three quarters ended December 28, 2025. You should read this MD&A together with our unaudited condensed consolidated interim financial statements and the related notes as at and for the third and three quarters ended December 28, 2025 ("Interim Financial Statements") and our audited consolidated financial statements and the related notes for the fiscal year ended March 30, 2025 ("Annual Financial Statements"). Additional information about Canada Goose is available on our website at www.canadagoose.com, on the SEDAR+ website at www.sedarplus.ca, and on the EDGAR section of the U.S. Securities and Exchange Commission (the "SEC") website at www.sec.gov, including our Annual Report on Form 20-F for the fiscal year ended March 30, 2025 ("Annual Report").

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements. These statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Forward-looking statements can be identified by words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "predict," "project," "potential," "should," "will," "would," and other similar expressions, although not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not historical facts. They appear in many places throughout this MD&A and include statements regarding our intentions, beliefs, or current expectations concerning, among other things, our results of operations, financial condition, liquidity, business prospects, growth, strategies, expectations regarding industry trends and the size and growth rates of addressable markets, our business plan, and our growth strategies, including plans for expansion to new markets and new products, expectations for seasonal trends, and the industry in which we operate.

Certain assumptions made in preparing the forward-looking statements contained in this MD&A include:

- our ability to implement our growth strategies;
- our ability to maintain strong business relationships with our customers, suppliers, wholesalers, and distributors;
- our ability to keep pace with changing consumer preferences;
- our ability to protect our intellectual property;
- our ability to adapt to changes to our business as a whole due to environmental, social and governance ("ESG") considerations;

- the continued absence of material global supply chain disruptions to our business, and our ability to fulfill demand and maintain sufficient inventory levels, which we continue to monitor;
- our ability to adapt to changing macroeconomic and international trade conditions, including interest rates, currency exchange rates, or enacted tariffs (and retaliatory measures), possible changes therefrom and other trade restrictions; and
- the absence of material adverse changes in our industry or the global economy.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We believe that these risks and uncertainties include, but are not limited to, those described in the “Risk Factors” section of our Annual Report and other risk factors described herein, which include, but are not limited to, the following risks:

- we may not open retail stores or expand e-Commerce access on our planned timelines;
- we may be adversely impacted by trade barriers, including enacted and prospective additional tariffs and regulations in the United States, China and the European Union, which could increase the prices of the raw materials for our products, and export requirements, tariffs, taxes and other restrictions and expenses, which could increase the prices of our products and make us less competitive in some countries;
- we may be unable to maintain the strength of our brand or to expand our brand to new products and geographies;
- unanticipated changes in the effective tax rate or adverse outcomes from audit examinations of corporate income or other tax returns;
- our indebtedness may adversely affect our financial condition, and we may not be able to refinance or renegotiate such indebtedness on favourable or satisfactory terms;
- an economic downturn and general economic conditions (for example, more elevated inflation and rising interest rates) may further affect discretionary consumer spending;
- we may not be able to satisfy changing consumer preferences;
- global political events, including the impact of political disruptions and protests, which may cause business interruptions;
- our ability to procure high quality raw materials and certain finished goods globally at consistent pricing;
- our ability to manage inventory and forecast our inventory need, which we continuously monitor, and to manage our production distribution networks;
- we may not be able to protect or preserve our brand image and proprietary rights globally;
- the success of our business strategy;
- our ability to manage our exposure to data security and cyber security events;

- disruptions to manufacturing and distribution activities due to factors such as operational issues, disruptions in transportation logistic functions or labour shortages or disruptions;
- risks and global disruptions associated with geopolitical events, as well as the international trade environment;
- flagging consumer sentiment and ongoing demand for luxury goods in our key markets;
- fluctuations in raw material costs, interest rates and currency exchange rates;
- our ability to comply with and manage risks associated with complex and changing laws, regulations and global standards; and
- we may be unable to maintain effective internal controls over financial reporting.

Although we base the forward-looking statements contained in this MD&A on assumptions that we believe are reasonable, we caution you that actual results and developments (including our results of operations, financial condition, liquidity and capital resources, and the development of the industry in which we operate) may differ materially from those made in or suggested by the forward-looking statements contained in this MD&A. Additional impacts may arise that we are not aware of currently. The potential of such additional impacts intensifies the business and operating risks which we face, and these should be considered when reading the forward-looking statements contained in this MD&A. In addition, even if results and developments are consistent with the forward-looking statements contained in this MD&A, those results and developments may not be indicative of results or developments in subsequent periods. As a result, any or all of our forward-looking statements in this MD&A may prove to be inaccurate. No forward-looking statement is a guarantee of future results. Moreover, we operate in a highly competitive and rapidly changing environment in which new risks often emerge. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

You should read this MD&A and the documents that we reference herein completely and with the understanding that our actual future results may be materially different from what we expect. The forward-looking statements contained herein are made as of the date of this MD&A, and we do not assume any obligation to update any forward-looking statements except as required by applicable laws.

BASIS OF PRESENTATION

The Interim Financial Statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”), specifically IAS 34, *Interim Financial Reporting*. The Interim Financial Statements do not include all of the information required for Annual Financial Statements and should be read in conjunction with the Annual Financial Statements. Certain financial measures contained in this MD&A are non-IFRS financial measures and are discussed further under “*Non-IFRS Financial Measures and Other Specified Financial Measures*” below.

The Interim Financial Statements and the accompanying notes have been prepared using the accounting policies described in “*Note 2. Material accounting policy information*” in the Interim Financial Statements and the Annual Financial Statements.

All references to “\$”, “CAD” and “dollars” refer to Canadian dollars, “USD” refers to U.S. dollars, “GBP” refers to British pounds sterling, “EUR” refers to euros, “CHF” refers to Swiss francs, “CNY” refers to Chinese yuan, “RMB” refers to Chinese renminbi, “HKD” refers to Hong Kong dollars, and “JPY” refers to Japanese yen unless otherwise indicated. Certain totals, subtotals and percentages throughout this MD&A may not reconcile due to rounding. This MD&A and the accompanying Interim Financial Statements are presented in millions of Canadian dollars except where otherwise indicated.

All references to “fiscal 2024” are to the Company’s fiscal year ended March 31, 2024; to “fiscal 2025” are to the Company’s fiscal year ended March 30, 2025; and to “fiscal 2026” are to the Company’s fiscal year ending March 29, 2026.

The Company's fiscal year is a 52 or 53-week reporting cycle with the fiscal year ending on the Sunday closest to March 31. Each fiscal quarter is 13 weeks for a 52-week fiscal year. The additional week in a 53-week fiscal year is added to the third quarter. Fiscal 2024, fiscal 2025 and fiscal 2026 are each a 52-week fiscal year.

Refer to “*Basis of Presentation*” in the Annual Report for additional details on the updates made to the comparable period.

Refer to “*Components of Our Results of Operations*” in the MD&A section of our fiscal 2025 Annual Report for a description of the Company’s financial measures in accordance with IFRS Accounting Standards. There have been no material changes in the Company’s components of our results of operations since March 30, 2025.

SUMMARY OF FINANCIAL PERFORMANCE

The following table summarizes results of operations for the third and three quarters ended December 28, 2025, compared to the third and three quarters ended December 29, 2024, and expresses the percentage relationship to revenue of certain financial statement captions. Basis points ("bps") expresses the changes between percentages. See "Results of Operations" for additional details.

CAD \$ millions (except per share data)	Third quarter ended			Three quarters ended		
	December 28, 2025	December 29, 2024	% Change	December 28, 2025	December 29, 2024	% Change
Statement of Operations data:						
Revenue	694.5	607.9	14.2 %	1,074.9	963.8	11.5 %
Gross profit	513.8	452.0	13.7 %	750.1	668.7	12.2 %
<i>Gross margin</i>	74.0 %	74.4 %	(40) bps	69.8 %	69.4 %	40 bps
Operating income	200.2	204.3	(2.0) %	23.9	109.0	(78.1) %
Net income (loss)	138.0	143.6	(3.9) %	(4.9)	75.9	(106.5) %
Net income (loss) attributable to shareholders of the Company	134.8	139.7	(3.5) %	(5.6)	67.7	(108.3) %
Earnings (loss) per share attributable to shareholders of the Company						
Basic	\$ 1.39	\$ 1.44	3.5 %	\$ (0.06)	\$ 0.70	(108.6) %
Diluted ¹	\$ 1.36	\$ 1.42	4.2 %	\$ (0.06)	\$ 0.69	(108.7) %

¹ Subordinate voting shares issuable on exercise of stock options, are not treated as dilutive if including them would decrease the loss per share. Accordingly, for the third and three quarters ended December 28, 2025, nil and 1,908,126, respectively, potentially dilutive shares have been excluded from the calculation of diluted loss per share because their effect was anti-dilutive (third and three quarters ended December 29, 2024 - nil and nil shares, respectively).

CAD \$ millions	December 28, 2025	December 29, 2024	March 30, 2025
Financial Position:		<i>Reclassified¹</i>	<i>Reclassified¹</i>
Cash	346.9	285.2	334.4
Inventories	408.7	407.4	384.0
Total assets ¹	1,796.6	1,732.1	1,631.9
Total non-current liabilities	728.3	748.3	731.7
Equity	580.3	509.4	556.6

¹ The Company identified an immaterial reclassification to the interim statement of financial position as at December 29, 2024, the annual statement of financial position as at March 30, 2025, and related note disclosures for comparative figures pertaining to sales taxes receivables presented in trade receivables, and sales taxes payables presented in accounts payable and accrued liabilities. As a result, the Company reclassified \$7.9m and \$15.2m from accounts payable and accrued liabilities to trade receivables as at December 29, 2024 and March 30, 2025, respectively. See "Note 2. Material accounting policy information" in our Interim Financial Statements for more details on the reclassification.

FACTORS AFFECTING OUR PERFORMANCE

We believe that our performance depends on many factors, including those discussed below.

- *Brand and Marketing.* We have made significant marketing investments to enhance our brand and attract new customers. We expect to continue to make significant marketing investments to promote our current products to new customers and new products to current and new customers, including through our e-Commerce platforms and retail store presence. Such marketing investments can be expensive and may not result in increased sales and may unfavourably impact operating margin.
- *New Products.* We intend to continue investing in design, innovation, merchandising, and the development and introduction of new products, including talent development, as well as expanding offerings in our existing product categories, across styles, uses, and climates that have varying margin profiles. As our product mix evolves, our gross margin has been and may continue to be unfavourably impacted by a lower proportion of down-filled outerwear sales, currently our highest margin products. Our gross margin is also impacted by our development cycle, given that there is a longer time horizon to realize the return on investment from our new products.
- *Growth in Our Direct to Consumer (“DTC”) Channel.* We plan to continue executing our global strategy through retail and e-Commerce expansion, though the scale of such expansion may be delayed due to current global economic conditions. We continue to monitor these conditions and their potential impact on our ability to achieve positive DTC comparable sales growth¹.

¹ *DTC comparable sales (decline) growth is a supplementary financial measure. See “Non-IFRS Financial Measures and Other Specified Financial Measures” for a description of this measure.*

- *Wholesale.* Our wholesale channel is complementary to our DTC channel. We have streamlined our wholesale partnerships as part of our global strategy, to reset and refresh our wholesale footprint, focusing our efforts on partners who align with our luxury brand positioning. This reset will impact the portion of revenue this channel represents in total revenue as well as year over year results from this channel.
- *Macroeconomic Conditions.* We are subject to risks and exposures from the evolving macroeconomic environment, including supply chain disruptions, economic uncertainty, customer budgetary constraints, the imposition of new tariffs or trade restrictions, including tariffs imposed by the United States, ongoing trade discussions and potential changes in trade relations between Canada and the United States, Mainland China and the United Kingdom, inflation, and resulting fears of potential economic slowdowns or recessions, all of which may negatively impact consumer demand for our products. We continuously monitor the direct and indirect impacts of these circumstances on our business and financial results.
- *Seasonality.* We experience seasonal fluctuations in our revenue and operating results and have historically realized a significant portion of our annual wholesale revenue during our second and third fiscal quarters, and our annual DTC revenue in our third and fourth fiscal quarters. We generated 81.7% and 78.1% of our annual wholesale revenue in the combined second and third fiscal quarters of fiscal 2025 and fiscal 2024, respectively. Additionally, we generated 83.3% and 82.6% of our annual DTC revenue in the combined third and fourth fiscal quarters of fiscal 2025 and fiscal 2024, respectively. Because of seasonal fluctuations in revenue and fixed costs associated with our business, particularly the headcount growth and premises costs associated with our expanding DTC channel, we typically experience

negative and substantially reduced net income and adjusted EBIT¹ in the first and fourth quarters, respectively. As a result of our seasonality, changes that impact gross margin and adjusted EBIT¹, among others can have a disproportionate impact on the quarterly results when they are recorded in our off-peak revenue periods. Business performance can also be impacted by the timing and intensity of cold weather, which may affect purchasing behaviour, including causing earlier or later purchases relative to prior periods, especially in our DTC channel.

¹ *Adjusted EBIT is a non-IFRS financial measure. See “Non-IFRS Financial Measures and Other Specified Financial Measures” for a description of this measure.*

Working capital requirements typically increase as inventory builds. We finance these needs through a combination of cash on hand and borrowings on our revolving credit facility, the Mainland China credit facilities, and the Japan credit facility. Historically, cash flows from operations have been highest in the third and fourth fiscal quarters of the fiscal year due to revenue from the DTC channel and the collection of receivables from wholesale revenue earlier in the year.

- *Global Climate Trends.* A portion of our business is dependent on cold-weather seasons and patterns to generate consumer demand for our products. Consumer demand for our products may be negatively affected to the extent global climate patterns trend warmer, reducing typical patterns of cold-weather events or increasing weather volatility.
- *Foreign Exchange.* We sell a significant portion of our products to customers outside of Canada, which exposes us to fluctuations in foreign currency exchange rates. In both fiscal years 2025 and 2024, we generated 70.5% of our revenue in currencies other than Canadian dollars.

Refer to “Quantitative and Qualitative Disclosures About Market Risk - Foreign exchange risk” below for more details on foreign exchange.

- *Global Social, Economic and Political Events and Other Disruptions.* We are conscious of risks related to social, economic, and political instability, including geopolitical tensions, regulatory matters, market volatility, risks related to the international trade and tax environment (including tariffs, quotas and custom and other restrictions), and social unrest, each of which may be affecting consumer spending, international travel, credit markets, logistics, and foreign exchange in certain countries and travel corridors.

We remain concerned about the conflicts in Ukraine and the Middle East and continue to suspend all wholesale and e-Commerce sales to Russia. We continue to monitor these ongoing conflicts and their impacts on human life.

We have been, and may in the future be, impacted by protests and other disruptions. To the extent that such disruptions persist, we expect that operations and traffic at our retail stores may be impacted.

SEGMENTS

Our reporting segments align with our sales channels: DTC, Wholesale, and Other. We measure each reportable operating segment’s performance based on revenue and operating income.

Our DTC segment includes sales to customers through our retail stores and our e-Commerce website available across numerous markets, which includes the recommerce platform Canada Goose Generations, currently available in the United States and Canada.

Through our Wholesale segment, we sell to a mix of retailers and international distributors, who are partners that have partial or full exclusive territory rights to sell our products to a particular market through their own DTC channels or local wholesalers. The Wholesale segment also includes travel retail locations.

The Other segment comprises sales and costs not directly allocated to the DTC or Wholesale segments, such as sales to employees, friends and family events and certain selling, general and administrative (“SG&A”) expenses.

Corporate expenses comprise costs that do not occur through the DTC, Wholesale, or Other segments, including the cost of marketing expenditures to build brand awareness across all segments, management overhead costs in support of manufacturing operations, other corporate costs, and foreign exchange gains and losses not specifically associated with segment operations.

As at December 28, 2025, our DTC segment by geography included the following directly operated permanent retail stores:

	March 30, 2025	Fiscal 2026			December 28, 2025
		Q1 Activity	Q2 Activity	Q3 Activity	
Canada	10	—	—	—	10
United States	16	—	—	1	17
North America	26	—	—	1	27
Greater China ¹	28	(1)	1	2	30
Asia Pacific (excluding Greater China ¹)	10	2	—	—	12
Asia Pacific	38	1	1	2	42
EMEA ²	10	1	—	1	12
Total permanent stores	74	2	1	4	81

	March 31, 2024	Fiscal 2025				March 30, 2025
		Q1 Activity	Q2 Activity	Q3 Activity	Q4 Activity	
Canada	9	—	1	—	—	10
United States	16	—	—	—	—	16
North America	25	—	1	—	—	26
Greater China ¹	26	—	2	—	—	28
Asia Pacific (excluding Greater China ¹)	8	—	—	2	—	10
Asia Pacific	34	—	2	2	—	38
EMEA ²	9	—	1	—	—	10
Total permanent stores	68	—	4	2	—	74

¹ Greater China comprises Mainland China, Hong Kong, Macau, and Taiwan.

² EMEA comprises Europe, the Middle East, Africa, and Latin America.

RESULTS OF OPERATIONS

For the third quarter ended December 28, 2025 compared to the third quarter ended December 29, 2024

The following table summarizes results of operations and expresses the percentage relationship to revenue of certain financial statement captions. Basis points ("bps") expresses the changes between percentages.

CAD \$ millions (except share and per share data)	Third quarter ended		\$ Change	% Change
	December 28, 2025	December 29, 2024		
Revenue	694.5	607.9	86.6	14.2 %
Cost of sales	180.7	155.9	(24.8)	(15.9) %
Gross profit	513.8	452.0	61.8	13.7 %
<i>Gross margin</i>	74.0 %	74.4 %		(40) bps
SG&A expenses	313.6	247.7	(65.9)	(26.6) %
<i>SG&A expenses as % of revenue</i>	45.2 %	40.7 %		(450) bps
Operating income	200.2	204.3	(4.1)	(2.0) %
<i>Operating margin</i>	28.8 %	33.6 %		(480) bps
Net interest, finance and other costs	11.4	14.3	2.9	20.3 %
Income before income taxes	188.8	190.0	(1.2)	(0.6) %
Income tax expense	50.8	46.4	(4.4)	(9.5) %
<i>Effective tax rate</i>	26.9 %	24.4 %		(250) bps
Net income	138.0	143.6	(5.6)	(3.9) %
Net income attributable to non-controlling interest	3.2	3.9	(0.7)	(17.9) %
Net income attributable to shareholders of the Company	134.8	139.7	(4.9)	(3.5) %
Weighted average number of shares outstanding				
Basic	97,088,009	96,798,985		
Diluted	99,338,921	98,172,212		
Earnings per share attributable to shareholders of the Company				
Basic	\$ 1.39	\$ 1.44	(0.05)	3.5 %
Diluted	\$ 1.36	\$ 1.42	(0.06)	4.2 %

Revenue

CAD \$ millions	Third quarter ended		\$ Change			% Change	
	December 28, 2025	December 29, 2024	As reported	Foreign exchange impact	In constant currency ¹	As reported	In constant currency ¹
DTC	591.0	517.8	73.2	(4.8)	68.4	14.1 %	13.2 %
Wholesale	88.3	75.7	12.6	(2.1)	10.5	16.6 %	13.9 %
Other	15.2	14.4	0.8	0.7	1.5	5.6 %	10.4 %
Total revenue	694.5	607.9	86.6	(6.2)	80.4	14.2 %	13.2 %

1 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Revenue by geography

CAD \$ millions	Third quarter ended		\$ Change			% Change	
	December 28, 2025	December 29, 2024	As reported	Foreign exchange impact	In constant currency ³	As reported	In constant currency ³
Canada	103.9	91.1	12.8	—	12.8	14.1 %	14.1 %
United States	199.2	161.5	37.7	0.6	38.3	23.3 %	23.7 %
North America	303.1	252.6	50.5	0.6	51.1	20.0 %	20.2 %
Greater China ¹	248.3	219.6	28.7	0.2	28.9	13.1 %	13.2 %
Asia Pacific (excluding Greater China ¹)	53.3	50.9	2.4	0.8	3.2	4.7 %	6.3 %
Asia Pacific	301.6	270.5	31.1	1.0	32.1	11.5 %	11.9 %
EMEA ²	89.8	84.8	5.0	(7.8)	(2.8)	5.9 %	(3.3) %
Total revenue	694.5	607.9	86.6	(6.2)	80.4	14.2 %	13.2 %

1 Greater China comprises Mainland China, Hong Kong, Macau, and Taiwan.

2 EMEA comprises Europe, the Middle East, Africa, and Latin America.

3 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Revenue for the third quarter ended December 28, 2025 was \$694.5m, an increase of \$86.6m, or 14.2%, from \$607.9m for the third quarter ended December 29, 2024. On a constant currency¹ basis, revenue increased by 13.2% for the third quarter ended December 28, 2025 compared to the third quarter ended December 29, 2024, reflecting the strengthening of the euro relative to the Canadian dollar in the current quarter.

1 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Within our product categories compared to the third quarter ended December 29, 2024, revenue grew by 14.2% mainly driven by growth in down-filled outerwear, apparel and everyday.

DTC

Revenue from our DTC segment was \$591.0m for the third quarter ended December 28, 2025 compared to \$517.8m for the third quarter ended December 29, 2024. The increase of \$73.2m or 14.1% was driven by the following factors:

- DTC comparable sales growth¹ of 6.3%, which included positive DTC comparable sales growth¹ for both stores and e-Commerce, in Canada, United States and Asia Pacific. E-Commerce outpaced store revenue growth, which was mainly driven by platforms in Greater China such as Douyin.
- Revenue growth was also due to retail expansion with four new directly operated permanent store openings during the third quarter of fiscal 2026, and six new directly operated permanent store openings in the prior year running for the full quarter in fiscal 2026.

¹ DTC comparable sales (decline) growth is a supplementary financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Wholesale

Revenue from our Wholesale segment was \$88.3m for the third quarter ended December 28, 2025, compared to \$75.7m for the third quarter ended December 29, 2024. The increase of \$12.6m or 16.6% was primarily due to delayed shipments from prior quarters, being fulfilled in the current quarter, particularly in the United States.

Other

Revenue from our Other segment was \$15.2m for the third quarter ended December 28, 2025, compared to \$14.4m for the third quarter ended December 29, 2024. The increase of \$0.8m was primarily attributable to higher revenue from employee sales in the current quarter compared to the third quarter ended December 29, 2024. Revenue from friends and family events was in-line with the comparative quarter.

Gross Profit

CAD \$ millions	Third quarter ended				\$ Change	Change in bps
	December 28, 2025		December 29, 2024			
	Reported	Gross margin	Reported	Gross margin		
Gross profit	513.8	74.0 %	452.0	74.4 %	61.8	(40) bps

Gross profit and gross margin for the third quarter ended December 28, 2025 were \$513.8m and 74.0%, compared to \$452.0m and 74.4% for the third quarter ended December 29, 2024. The increase in gross profit of \$61.8m was attributable to higher revenue, partially offset by modest gross margin compression. Gross margin in the current quarter was unfavourably impacted by product mix with a greater mix of apparel and everyday and higher freight and duty costs driven by country and product mix, partially offset by favourable channel mix with a higher proportion of DTC sales. Pricing and cost variances had a limited impact on gross margin.

SG&A Expenses

CAD \$ millions	Third quarter ended				\$	Change in bps
	December 28, 2025		December 29, 2024			
	Reported	% of revenue	Reported	% of revenue		
SG&A expenses	313.6	45.2 %	247.7	40.7 %	(65.9)	(450) bps

SG&A expenses were \$313.6m for the third quarter ended December 28, 2025 compared to \$247.7m for the third quarter ended December 29, 2024. SG&A expenses as a percentage of revenue increased by 450 bps to 45.2% in the third quarter ended December 28, 2025, compared to 40.7% for the third quarter ended December 29, 2024.

The increase of \$65.9m or (26.6)% was attributable to:

- Higher costs related to our operating segments of \$41.9m, driven by:
 - \$16.4m of higher costs attributable to:
 - new stores and prior year store openings running for the full quarter in fiscal 2026,
 - increased investment in labour in comparable stores, and
 - higher proportion of lease costs contractually variable to revenue.
 - \$14.5m of bad debt provisioning related to a wholesale partner in the United States; and
 - \$2.7m of increased technology costs primarily for licenses and fees related to the e-Commerce infrastructure.
- Higher corporate expenses of \$24.0m, driven by:
 - \$13.4m from increased investment in marketing on brand awareness activities in fiscal 2026 and higher level of marketing activities to create engagement throughout the quarter, mainly driven by the launch of the Fall/Winter 2025 collection; and
 - \$8.9m of foreign exchange gains in the comparative quarter that did not recur.

Operating Income and Operating Margin

CAD \$ millions	Third quarter ended					
	December 28, 2025		December 29, 2024		\$ Change	Change in bps
	Reported	Operating margin	Reported	Operating margin		
DTC	319.2	54.0 %	287.9	55.6 %	31.3	(160) bps
Wholesale	18.2	20.6 %	25.4	33.5 %	(7.2)	(1,290) bps
Other	(3.0)	(19.7)%	1.2	8.3 %	(4.2)	(2,804) bps
Total segment operating income ¹	<u>334.4</u>		<u>314.5</u>		<u>19.9</u>	
CAD \$ millions	Third quarter ended					
	December 28, 2025		December 29, 2024		\$ Change	Change in bps
	Reported	Operating margin	Reported	Operating margin		
Total segment operating income ¹	334.4		314.5		19.9	
Corporate expenses	<u>(134.2)</u>		<u>(110.2)</u>		<u>(24.0)</u>	
Total operating income	<u>200.2</u>	28.8 %	<u>204.3</u>	33.6 %	<u>(4.1)</u>	(480) bps

¹ Total segment operating income is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Operating income and operating margin were \$200.2m and 28.8% for the third quarter ended December 28, 2025 compared to \$204.3m and 33.6% for the third quarter ended December 29, 2024. The decrease in operating income of \$4.1m was attributable to increased SG&A costs, partially offset by higher gross profit as noted above. The decrease in operating margin of (480) bps was primarily the result of higher operating costs.

DTC

DTC segment operating income and operating margin were \$319.2m and 54.0% for the third quarter ended December 28, 2025 compared to \$287.9m and 55.6% for the third quarter ended December 29, 2024. The increase in operating income of \$31.3m was attributable to improved revenue and gross profit, partially offset by higher operating costs associated with our global retail network.

The decrease in operating margin of (160) bps was attributable to:

- *Gross margin* - unfavourably decreased by (70) bps to 78.5% in the third quarter ended December 28, 2025, compared to 79.2% for the third quarter ended December 29, 2024. The decrease in gross margin was mainly driven by product mix with a greater assortment of apparel, everyday, and higher freight and duty costs driven by country and product mix.

- *SG&A expenses as a percentage of revenue* - unfavourably increased by (90) bps to 24.5% for the third quarter ended December 28, 2025, compared to 23.6% for the third quarter ended December 29, 2024. Despite DTC comparable sales growth¹, which positively impacted our operating leverage, higher costs from new stores and prior year store openings which have run for the full duration of fiscal 2026, increased investment in labour in comparable stores, and higher proportion of lease costs contractually variable to revenue, led to deleverage in the segment.

¹ *DTC comparable sales (decline) growth is a supplementary financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.*

Wholesale

Wholesale segment operating income and operating margin were \$18.2m and 20.6% for the third quarter ended December 28, 2025 compared to \$25.4m and 33.5% for the third quarter ended December 29, 2024. The decrease in operating income of \$7.2m was primarily attributable to increased operating costs.

The decrease in operating margin of (1,290) bps was attributable to:

- *Gross margin* - favourably increased by 310 bps to 53.8% in the third quarter ended December 28, 2025, compared to 50.7% for the third quarter ended December 29, 2024. The increase in gross margin was mainly driven by product mix with a greater assortment of down-filled outerwear and customer mix.
- *SG&A expenses as a percentage of revenue* - unfavourably increased by (1,600) bps to 33.2% for the third quarter ended December 28, 2025, compared to 17.2% for the third quarter ended December 29, 2024. The increase was primarily attributable to bad debt provisioning related to a wholesale partner in the United States.

Other

Other segment operating loss was \$3.0m for the third quarter ended December 28, 2025 compared to operating income of \$1.2m for the third quarter ended December 29, 2024. The increase in operating loss of \$4.2m was attributable to an increase in costs related to the Earn-Out (as defined below).

Net Interest, Finance and Other Costs

	Third quarter ended		\$	%
	December 28, 2025	December 29, 2024		
CAD \$ millions	Reported	Reported	Change	Change
Net interest, finance and other costs	11.4	14.3	2.9	20.3 %

Net interest, finance and other costs were \$11.4m for the third quarter ended December 28, 2025 compared to \$14.3m for the third quarter ended December 29, 2024. The decrease of \$2.9m was primarily attributable to favourable foreign exchange fluctuations of \$5.7m related to the term loan facility, net of hedging impacts, as well as a \$1.5m reduction in interest expense on our debt facilities due to a lower net outstanding balance resulting from higher repayments and reduced borrowings in the current quarter. These decreases were partially offset by a \$3.5m increase in the fair value remeasurement of the put option and contingent consideration

associated with the Company's joint venture with Sazaby League (the "Japan Joint Venture"), along with \$0.6m of higher interest related to principal payments on lease liabilities.

Income Taxes

CAD \$ millions	Third quarter ended					
	December 28, 2025		December 29, 2024		\$	Change in bps
	Reported	Effective tax rate	Reported	Effective tax rate		
Income tax expense	<u>50.8</u>	26.9 %	<u>46.4</u>	24.4 %	<u>(4.4)</u>	(250) bps

Income tax expense was \$50.8m for the third quarter ended December 28, 2025 compared to \$46.4m for the third quarter ended December 29, 2024. For the third quarter ended December 28, 2025, the effective and statutory tax rates were 26.9% and 25.2%, respectively, compared to 24.4% and 25.5% for the third quarter ended December 29, 2024, respectively. Given our global operations, the quarter to date effective tax rate is largely impacted by our profit or loss in taxable jurisdictions relative to the applicable tax and by the fair value remeasurement of the put option liability related to the Japan Joint Venture.

Net Income

Net income for the third quarter ended December 28, 2025 was \$138.0m compared to net income of \$143.6m for the third quarter ended December 29, 2024, driven by the factors described above.

RESULTS OF OPERATIONS

For the three quarters ended December 28, 2025 compared to the three quarters ended December 29, 2024

The following table summarizes results of operations and expresses the percentage relationship to revenue of certain financial statement captions.

CAD \$ millions (except share and per share data)	Three quarters ended		\$ Change	% Change
	December 28, 2025	December 29, 2024		
Revenue	1,074.9	963.8	111.1	11.5 %
Cost of sales	324.8	295.1	(29.7)	(10.1) %
Gross profit	750.1	668.7	81.4	12.2 %
<i>Gross margin</i>	69.8 %	69.4 %		40 bps
SG&A expenses	726.2	559.7	(166.5)	(29.7) %
<i>SG&A expenses as % of revenue</i>	67.6 %	58.1 %		(950) bps
Operating income	23.9	109.0	(85.1)	(78.1) %
<i>Operating margin</i>	2.2 %	11.3 %		(910) bps
Net interest, finance and other costs	28.3	26.0	(2.3)	(8.8) %
(Loss) income before income taxes	(4.4)	83.0	(87.4)	(105.3) %
Income tax expense	0.5	7.1	6.6	93.0 %
<i>Effective tax rate</i>	(11.4)%	8.6 %		2,000 bps
Net (loss) income	(4.9)	75.9	(80.8)	(106.5) %
Net (loss) income attributable to non-controlling interest	0.7	8.2	(7.5)	91.5 %
Net (loss) income attributable to shareholders of the Company	(5.6)	67.7	(73.3)	(108.3) %
Weighted average number of shares outstanding				
Basic	97,024,609	96,714,942		
Diluted ¹	97,024,609	98,033,979		
(Loss) income per share attributable to shareholders of the Company				
Basic	\$ (0.06)	\$ 0.70	(0.76)	(108.6) %
Diluted ¹	\$ (0.06)	\$ 0.69	(0.75)	(108.7) %

- ¹ Subordinate voting shares issuable on exercise of stock options are not treated as dilutive if including them would decrease the loss per share. Accordingly, for the three quarters ended December 28, 2025, 1,908,126, potentially dilutive shares have been excluded from the calculation of diluted loss per share because their effect was anti-dilutive (three quarters ended December 29, 2024 - nil shares).

Revenue

CAD \$ millions	Three quarters ended		As reported	Foreign exchange impact	\$ Change	% Change	
	December 28, 2025	December 29, 2024			In constant currency ¹	As reported	In constant currency ¹
DTC	795.7	684.8	110.9	(6.8)	104.1	16.2 %	15.2 %
Wholesale	242.1	229.0	13.1	(7.4)	5.7	5.7 %	2.5 %
Other	37.1	50.0	(12.9)	0.3	(12.6)	(25.8)%	(25.2)%
Total revenue	1,074.9	963.8	111.1	(13.9)	97.2	11.5 %	10.1 %

1 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Revenue by geography

CAD \$ millions	Three quarters ended		As reported	Foreign exchange impact	\$ Change	% Change	
	December 28, 2025	December 29, 2024			In constant currency ³	As reported	In constant currency ³
Canada	186.3	170.7	15.6	—	15.6	9.1 %	9.1 %
United States	280.2	243.4	36.8	(0.5)	36.3	15.1 %	14.9 %
North America	466.5	414.1	52.4	(0.5)	51.9	12.7 %	12.5 %
Greater China ¹	326.1	287.9	38.2	0.6	38.8	13.3 %	13.5 %
Asia Pacific (excluding Greater China ¹)	93.8	79.5	14.3	0.6	14.9	18.0 %	18.7 %
Asia Pacific	419.9	367.4	52.5	1.2	53.7	14.3 %	14.6 %
EMEA ²	188.5	182.3	6.2	(14.6)	(8.4)	3.4 %	(4.6)%
Total revenue	1,074.9	963.8	111.1	(13.9)	97.2	11.5 %	10.1 %

1 Greater China comprises Mainland China, Hong Kong, Macau, and Taiwan.

2 EMEA comprises Europe, the Middle East, Africa, and Latin America.

3 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Revenue for the three quarters ended December 28, 2025 was \$1,074.9m, an increase of \$111.1m or 11.5% from \$963.8m for the three quarters ended December 29, 2024. On a constant currency¹ basis, revenue increased by 10.1% for the three quarters ended December 28, 2025 compared to the three quarters ended December 29, 2024, reflecting the strength of the euro and the United States dollar relative to the Canadian dollar in the current period.

1 Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Within our product categories compared to the three quarters ended December 29, 2024, revenue grew by 11.5% driven by growth in down-filled outerwear, apparel and everyday.

DTC

Revenue from our DTC segment for the three quarters ended December 28, 2025 was \$795.7m compared to \$684.8m for the three quarters ended December 29, 2024. The increase of \$110.9m or 16.2% was attributable largely to:

- DTC comparable sales growth¹ of 7.5%, which included positive comparable sales growth¹ for both stores and e-Commerce, across all geographies except EMEA where there was a low single-digit decline. E-Commerce growth outpaced store revenue growth, which was mainly driven by platforms in the United States and Greater China such as Tmall and Douyin.
- Retail expansion with seven new directly operated permanent stores during the first three quarters of fiscal 2026, and six new directly operated permanent store openings in the prior year running for the full three quarters of fiscal 2026.

¹ DTC comparable sales (decline) growth is a supplementary financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Wholesale

Revenue from our Wholesale segment for the three quarters ended December 28, 2025 was \$242.1m compared to \$229.0m for the three quarters ended December 29, 2024. The increase of \$13.1m or 5.7% was primarily driven by growth in the United States order book and higher re-order levels and increased revenue for Travel retail in Greater China.

Other

Revenue from our Other segment for the three quarters ended December 28, 2025 was \$37.1m compared to \$50.0m for the three quarters ended December 29, 2024. The decrease of \$12.9m or 25.8% was attributable to lower revenue from friends and family events due to fewer events in the current period compared to fiscal 2025 and lower employee sales.

Gross Profit

CAD \$ millions	Three quarters ended					
	December 28, 2025		December 29, 2024		\$ Change	Change in bps
	Reported	Gross margin	Reported	Gross margin		
Gross profit	750.1	69.8 %	668.7	69.4 %	81.4	40 bps

Gross profit and gross margin for the three quarters ended December 28, 2025 were \$750.1m and 69.8%, respectively, compared to \$668.7m and 69.4%, respectively, for the three quarters ended December 29, 2024. The increase in gross profit of \$81.4m was attributable to higher revenue as noted above and margin expansion. Gross margin in the current period has been favourably impacted by channel mix and partially offset by unfavourable product mix with a greater mix of apparel and everyday. Pricing and cost variances had a limited impact on gross margin.

SG&A Expenses

CAD \$ millions	Three quarters ended				\$ Change	Change in bps
	December 28, 2025		December 29, 2024			
	Reported	% of revenue	Reported	% of revenue		
SG&A expenses	726.2	67.6 %	559.7	58.1 %	(166.5)	(950) bps

SG&A expenses were \$726.2m for the three quarters ended December 28, 2025 compared to \$559.7m for the three quarters ended December 29, 2024. SG&A expenses as a percentage of revenue increased by (950) bps to 67.6% in the three quarters ended December 28, 2025, compared to 58.1% for the three quarters ended December 29, 2024.

The increase of \$166.5m or (29.7)% was attributable to:

- An increase of \$89.4m in costs related to corporate expenses, driven by:
 - \$43.8m for the financial award for the arbitration proceeding instituted in fiscal 2024 between the Company and a former supplier of the Company;
 - \$30.5m from increased investment in brand awareness activities in fiscal 2026 and higher level of marketing activities to create engagement throughout the year, mainly driven by the launch of the Fall/Winter 2025 collection;
 - \$5.0m of incremental investment in product creation; and
 - \$4.4m of lower foreign exchange gains.
- An increase of \$77.1m in costs related to our operating segments, driven by:
 - \$29.2m increase in costs attributable to:
 - expansion from new stores and prior year store openings which have run for the full duration of fiscal 2026,
 - increased investment in labour in comparable stores, and
 - higher proportion of lease costs contractually variable to revenue.
 - \$14.5m of bad debt provisioning related to a wholesale partner in the United States; and
 - \$12.5m increase in costs due to an update to the value of the Earn-Out (as defined below), in the Other segment.

Operating Income and Operating Margin

CAD \$ millions	Three quarters ended					
	December 28, 2025		December 29, 2024		\$ Change	Change in bps
	Reported	Operating margin	Reported	Operating margin		
DTC	300.6	37.8 %	270.4	39.5 %	30.2	(170) bps
Wholesale	74.2	30.7 %	83.7	36.6 %	(9.5)	(590) bps
Other	(8.3)	(22.4)%	8.1	16.2 %	(16.4)	(3,860) bps
Total segment operating income ¹	<u>366.5</u>		<u>362.2</u>		<u>4.3</u>	

CAD \$ millions	Three quarters ended					
	December 28, 2025		December 29, 2024		\$ Change	Change in bps
	Reported	Operating margin	Reported	Operating margin		
Total segment operating income ¹	366.5		362.2		4.3	
Corporate expenses	<u>(342.6)</u>		<u>(253.2)</u>		<u>(89.4)</u>	
Total operating income	<u>23.9</u>	2.2 %	<u>109.0</u>	11.3 %	<u>(85.1)</u>	(910) bps

¹ Total segment operating income is a non-IFRS financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Operating income and operating margin were \$23.9m and 2.2% for the three quarters ended December 28, 2025 compared to \$109.0m and 11.3% for the three quarters ended December 29, 2024. The decrease in operating income of \$85.1m was attributable to higher SG&A costs, partially offset by higher gross profit as noted above. The decrease in operating margin of 910 bps was primarily the result of higher operating costs, partially offset by gross margin expansion.

DTC

DTC segment operating income and operating margin were \$300.6m and 37.8% for the three quarters ended December 28, 2025 compared to \$270.4m and 39.5% for the three quarters ended December 29, 2024. The increase in operating income of \$30.2m was attributable to improved revenue and gross profit, partially offset by higher operating costs associated with our global retail network.

The decrease in operating margin of (170) bps was attributable to:

- *Gross margin* - unfavourably decreased by (130) bps to 76.6% in the three quarters ended December 28, 2025, compared to 77.9% for the three quarters ended December 29, 2024. The decrease in gross margin was mainly driven by product mix, channel mix, higher freight and duty costs, driven by country and product mix.

- *SG&A expenses as a percentage of revenue* - unfavourably increased by (40) bps to 38.9% for the three quarters ended December 28, 2025, compared to 38.5% for the three quarters ended December 29, 2024. Despite DTC comparable sales growth¹, which positively impacted our operating leverage, higher costs from new stores and prior year store openings which have run for the full duration of fiscal 2026, increased investment in labour in comparable stores, and higher proportion of lease costs contractually variable to revenue, led to deleverage in the segment.

¹ DTC comparable sales (decline) growth is a supplementary financial measure. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of this measure.

Wholesale

Wholesale segment operating income and operating margin were \$74.2m and 30.7% for the three quarters ended December 28, 2025 compared to \$83.7m and 36.6% for the three quarters ended December 29, 2024. The decrease in operating income of \$9.5m was attributable to higher SG&A expenses.

The decrease in operating margin of (590) bps was attributable to:

- *Gross margin* - favourably increased by 100 bps to 52.9% in the three quarters ended December 28, 2025, compared to 51.9% for the three quarters ended December 29, 2024. The increase in gross margin was driven by favourable product mix.
- *SG&A expenses as a percentage of revenue* - unfavourably increased by (690) bps to 22.3% for the three quarters ended December 28, 2025, compared to 15.4% for the three quarters ended December 29, 2024. The increase was primarily attributable to bad debt provisioning related to a wholesale partner in the United States, in the third quarter of fiscal 2026.

Other

Other segment operating loss was \$(8.3)m for the three quarters ended December 28, 2025 compared to \$8.1m for the three quarters ended December 29, 2024. The increase in operating loss of \$(16.4)m was primarily attributable to an increase in costs related to the Earn-Out, lower revenue and lower gross profit.

Net Interest, Finance and Other Costs

	Three quarters ended		\$	%
	December 28, 2025	December 29, 2024		
CAD \$ millions	Reported	Reported	Change	Change
Net interest, finance and other costs	28.3	26.0	(2.3)	(8.8)%

Net interest, finance and other costs were \$28.3m for the three quarters ended December 28, 2025 compared to \$26.0m for the three quarters ended December 29, 2024. The increase of \$2.3m was driven by a \$16.5m increase in the fair value remeasurement of the put option (a liability increase of \$0.1m, excluding translation losses of \$4.3m) and contingent consideration (a liability increase of \$12.3m, excluding translation gains of \$0.2m) related to the Japan Joint Venture. The change in fair value of the put option liability was driven by progression through the 10-year term, whereas the change in fair value of the contingent consideration was driven by the extension in term. This increase was partially offset by favourable foreign exchange

fluctuations of \$9.8m related to the USD-denominated term loan facility, net of hedging impacts, and by lower interest charges of \$3.9m resulting from reduced borrowings in the current period.

Income Taxes

CAD \$ millions	Three quarters ended				\$ Change	Change in bps
	December 28, 2025		December 29, 2024			
	Reported	Effective tax rate	Reported	Effective tax rate		
Income tax expense	0.5	(11.4)%	7.1	8.6 %	6.6	2,000 bps

Income tax expense was \$0.5m for the three quarters ended December 28, 2025 compared to \$7.1m for the three quarters ended December 29, 2024. For the three quarters ended December 28, 2025, the effective and statutory tax rates were (11.4)% and 25.2%, respectively, compared to 8.6% and 25.5% for the three quarters ended December 29, 2024, respectively. Given our global operations, the effective tax rate is largely impacted by our profit or loss in taxable jurisdictions relative to the applicable tax rates and by the fair value remeasurement of the put option liability related to the Japan Joint Venture.

Net (Loss) Income

Net loss for the three quarters ended December 28, 2025 was \$4.9m compared to net income of \$75.9m for the three quarters ended December 29, 2024, driven by the factors described above.

Quarterly Financial Information

The following is a summary of selected consolidated financial information for each of the eight most recently completed quarters:

CAD \$ millions (except per share data)						% of fiscal year revenue	Net income (loss) attributable to shareholders of the Company	Earnings (loss) per share attributable to shareholders of the Company		Operating income (loss)	Adjusted EBIT¹	Adjusted net income (loss) per diluted share attributable to shareholders of the Company¹
	Revenue				Basic			Diluted				
	DTC	Wholesale	Other	Total								
Fiscal 2026												
Third Quarter	591.0	88.3	15.2	694.5	— %	134.8	\$ 1.39	\$ 1.36	200.2	203.7	\$	1.43
Second Quarter	126.6	135.9	10.1	272.6	— %	(15.2)	\$ (0.16)	\$ (0.16)	(17.6)	(14.2)	\$	(0.14)
First Quarter	78.1	17.9	11.8	107.8	— %	(125.2)	\$ (1.29)	\$ (1.29)	(158.7)	(106.4)	\$	(0.91)
Fiscal 2025												
Fourth Quarter	314.1	31.8	38.7	384.6	28.5 %	27.1	\$ 0.28	\$ 0.28	55.1	59.7	\$	0.33
Third Quarter	517.8	75.7	14.4	607.9	45.1 %	139.7	\$ 1.44	\$ 1.42	204.3	205.2	\$	1.51
Second Quarter	103.9	137.3	26.6	267.8	19.9 %	5.4	\$ 0.06	\$ 0.06	1.6	2.5	\$	0.05
First Quarter	63.1	16.0	9.0	88.1	6.5 %	(77.4)	\$ (0.80)	\$ (0.80)	(96.9)	(96.0)	\$	(0.79)
Fiscal 2024												
Fourth Quarter	271.5	41.4	45.1	358.0	26.8 %	5.0	\$ 0.05	\$ 0.05	23.1	40.1	\$	0.19

¹ Adjusted EBIT and adjusted net (loss) income attributable to shareholders of the Company are non-IFRS financial measures, and adjusted net (loss) income per diluted share attributable to shareholders of the Company is a non-IFRS ratio. See "Non-IFRS Financial Measures and Other Specified Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS Accounting Standards measure.

Revenue is highest in our Wholesale segment in our second and third quarters as we fulfill wholesale customer orders in time for their Fall and Winter retail seasons, and, in our DTC segment, in the third and fourth quarters. Our net income is typically negative in the first quarter and negative or reduced in the fourth quarter as we invest ahead of our peak season.

Revenue

Over the last eight quarters, revenue has been impacted by the following:

- introduction of new stores and timing of store openings;
- launch and expansion of international e-Commerce sites;
- streamlining of wholesale partnerships, resulting in a lower order book;
- timing and extent of demand generation activities;
- increased manufacturing flexibility with higher in-house production, which has an impact on the timing of wholesale order shipments and customer demand;
- traffic patterns in the DTC segment;
- the availability of new products;
- successful implementation of global pricing strategy;
- shift in mix of revenue from Wholesale to DTC, which has impacted the seasonality of our financial performance;
- shift in geographic mix of sales to increase sales outside of Canada, where average unit retail pricing is generally higher;
- fluctuation of foreign currencies relative to the Canadian dollar;
- revenue generated from the acquisition of Paola Confectii on November 1, 2023; and
- extent of activities in Other revenue.

Net Income (Loss)

Over the last eight quarters, net income (loss) has been affected by the following factors:

- impact of the items affecting revenue, as discussed above;
- change in product mix, specifically the growth of non down-filled outerwear revenue;
- increase and timing of our investment in marketing, brand, and administrative support as well as increased investment in property, plant, and equipment and intangible assets to support growth initiatives;
- increase in SG&A costs associated with our business, particularly the headcount growth and premises costs associated with our expanding DTC channel, resulting in net losses in our seasonally low-revenue first and fourth quarters, respectively;
- impact of foreign exchange;
- fluctuations in average cost of borrowings to address growing net working capital requirements and higher seasonal borrowings in the first and second quarters of each fiscal year to address the seasonal nature of revenue;
- pre-store opening costs incurred, timing of leases signed, and opening of stores;

- costs of the financial award for the arbitration proceedings between the Company and the former supplier of the Company;
- costs of increased bad debt provisioning relating to a Wholesale partner in the United States;
- impact of fair value remeasurement of the put option and contingent consideration and any amendments thereto, in connection with the Japan Joint Venture;
- impact of the Earn-Out in connection with the business combination resulting in the acquisition of Paola Confectii on November 1, 2023;
- the proportion of taxable income in non-Canadian jurisdictions and changes to rates and tax legislation in those jurisdictions;
- increased freight and duty costs, limitations on shipping and other disruptions in the transportation and shipping infrastructure;
- increased product costs due to cost inflation and interest rate fluctuations; and
- costs and expenses related to the continued implementation of our Transformation Program, including consulting fees and workforce reduction costs.

NON-IFRS FINANCIAL MEASURES AND OTHER SPECIFIED FINANCIAL MEASURES

The Company uses certain financial measures that are “non-IFRS financial measures”, including adjusted EBIT, adjusted EBITDA, adjusted net income attributable to the shareholders of the Company, constant currency revenue, total segment operating income, and net debt, certain financial measures that are “non-IFRS ratios”, including adjusted EBIT margin, adjusted net income per basic and diluted share attributable to shareholders of the Company and, net debt leverage, as well as DTC comparable sales (decline) growth which is a “supplementary financial measure”, in each case in this document and other documents. These financial measures are employed by the Company to measure its operating and economic performance and to assist in business decision-making, as well as providing key performance information to senior management. The Company believes that, in addition to conventional measures prepared in accordance with IFRS Accounting Standards, certain investors and analysts use this information to evaluate the Company’s operating and financial performance and its financial position. These financial measures are not defined under IFRS Accounting Standards, nor do they replace or supersede any standardized measure under IFRS Accounting Standards. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

CAD \$ millions (except per share data)	Third quarter ended		Three quarters ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
Adjusted EBIT	203.7	205.2	83.1	111.7
Adjusted EBIT margin	29.3 %	33.8 %	7.7 %	11.6 %
Adjusted EBITDA	236.9	237.7	179.2	209.1
Adjusted net income attributable to shareholders of the Company	142.3	148.3	40.8	77.4
Adjusted net income per basic share attributable to shareholders of the Company	\$ 1.47	\$ 1.53	\$ 0.42	\$ 0.80
Adjusted net income per diluted share attributable to shareholders of the Company	\$ 1.43	\$ 1.51	\$ 0.42	\$ 0.79

CAD \$ millions	December 28, 2025	December 29, 2024	March 30, 2025
Net debt	(413.0)	(546.4)	(408.8)

Adjusted EBIT, adjusted EBIT margin, adjusted EBITDA, adjusted net income attributable to shareholders of the Company, and adjusted net income per basic and diluted share attributable to shareholders of the Company.

These measures exclude the impact of certain non-cash items and certain other adjustments related to events that are non-recurring or unusual in nature, that we believe are not otherwise reflective of our ongoing operations and/or that make comparisons of underlying financial performance between periods difficult. We use, and believe that certain investors and analysts use, this information to evaluate our core financial and operating performance for business planning purposes, as well as to analyze how our business operates in, or responds to, swings in economic cycles or to other events that impact the apparel industry.

Constant currency revenue

Constant currency revenue is calculated by translating the prior year reported amounts into comparable amounts using a single foreign exchange rate for each currency calculated based on the current period exchange rates. We use, and believe that certain investors and analysts use, this information to assess how our business and geographic segments performed excluding the effects of foreign currency exchange rate fluctuations. See *“Results of Operations - Revenue”* for a reconciliation of reported revenue and revenue on a constant currency basis.

Net debt and net debt leverage

We define net debt as cash less total borrowings and lease liabilities, and net debt leverage as the ratio of net debt to adjusted EBITDA, measured on a spot basis. We use, and believe that certain investors and analysts use, these non-IFRS financial measures and ratios to determine the Company’s financial leverage and ability to meet its debt obligations. See *“Liquidity and Capital Resources - Indebtedness”* below for a table providing the calculation of net debt and discussion of net debt leverage.

DTC comparable sales (decline) growth

DTC comparable sales (decline) growth is a supplementary financial measure defined as a rate of growth/decline of sales on a constant currency basis from e-Commerce sites and stores which have been operating for one full year (12 successive fiscal months). The measure excludes store sales from both periods for the specific trading days when the stores were closed, whether those closures occurred in the current period or the comparative period. The DTC comparable sales (decline) growth metric we report may not be equivalent to similarly titled metrics reported by other companies.

Total Segment Operating Income

Total segment operating income is a non-IFRS financial measure defined as revenue minus cost of goods sold and SG&A expenses directly related to the operating segment. The total segment operating income metric we report may not be equivalent to similarly titled metrics reported by other companies. See “*Operating Income and Operating Margin*” discussion above for reconciliation.

The tables below reconcile net loss to adjusted EBIT, adjusted EBITDA, and adjusted net income attributable to shareholders of the Company for the periods indicated. Adjusted EBIT margin is equal to adjusted EBIT for the period presented as a percentage of revenue for the same period.

	Third quarter ended		Three quarters ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
CAD \$ millions				
Net income (loss)	138.0	143.6	(4.9)	75.9
<i>Add (deduct) the impact of:</i>				
Income tax expense	50.8	46.4	0.5	7.1
Net interest, finance and other costs	11.4	14.3	28.3	26.0
Operating income	200.2	204.3	23.9	109.0
Arbitration award (a)	—	—	43.8	—
Paola Confectii Earn-Out costs (b)	3.5	0.9	15.4	2.7
Total adjustments	3.5	0.9	59.2	2.7
Adjusted EBIT	203.7	205.2	83.1	111.7
<i>Adjusted EBIT margin</i>	29.3 %	33.8 %	7.7 %	11.6 %

	Third quarter ended		Three quarters ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
CAD \$ millions				
Net income (loss)	138.0	143.6	(4.9)	75.9
<i>Add (deduct) the impact of:</i>				
Income tax expense	50.8	46.4	0.5	7.1
Net interest, finance and other costs	11.4	14.3	28.3	26.0
Operating income	200.2	204.3	23.9	109.0
Arbitration award (a)	—	—	43.8	—
Paola Confectii Earn-Out costs (b)	3.5	0.9	15.4	2.7
Net depreciation and amortization (e)	33.2	32.5	96.1	97.4
Total adjustments	36.7	33.4	155.3	100.1
Adjusted EBITDA	236.9	237.7	179.2	209.1

	Third quarter ended		Three quarters ended	
	December 28, 2025	December 29, 2024	December 28, 2025	December 29, 2024
CAD \$ millions				
Net income (loss)	138.0	143.6	(4.9)	75.9
<i>Add (deduct) the impact of:</i>				
Arbitration award (a)	—	—	43.8	—
Paola Confectii Earn-Out costs (b)	3.5	0.9	15.4	2.7
Japan Joint Venture remeasurement loss (gain) on contingent consideration and put option (c)	2.9	(0.6)	5.0	(11.5)
Unrealized foreign exchange (gain) loss on Term Loan (d)	(0.8)	4.9	(4.1)	5.7
	5.6	5.2	60.1	(3.1)
Tax effect of adjustments	0.1	(0.8)	(11.9)	(1.2)
Adjusted net income	143.7	148.0	43.3	71.6
Adjusted net (gain) loss attributable to non-controlling interest (f)	(1.4)	0.3	(2.5)	5.8
Adjusted net income attributable to shareholders of the Company	142.3	148.3	40.8	77.4

Weighted average number of shares outstanding

Basic	97,088,009	96,798,985	97,024,609	96,714,942
Diluted	99,338,921	98,172,212	97,024,609	98,033,979

Adjusted net income per basic share attributable to shareholders of the Company	\$	1.47	\$	1.53	\$	0.42	\$	0.80
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Adjusted net income per diluted share attributable to shareholders of the Company	\$	1.43	\$	1.51	\$	0.42	\$	0.79
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- (a) During the first quarter ended June 29, 2025, an arbitration that took place in fiscal 2024 concluded between the Company and a former supplier of the Company in connection with a previously announced commercial dispute relating to the termination of a contract in 2021. The arbitration resulted in an unfavourable judgment against the Company with financial compensation to be awarded to the former supplier. As a result, the Company was required to make a one-time payment to the former supplier of USD32.0m (\$43.8m), inclusive of legal costs, which was recognized in SG&A expenses in the interim statements of income (loss) and was paid to the former supplier during the two quarters ended September 28, 2025.
- (b) Value of the remuneration payout for the Earn-Out (as defined below).
- (c) Changes to the fair value remeasurement of the contingent consideration and put option liability, inclusive of translation gains and losses, related to the Japan Joint Venture. The Company recorded losses of \$2.9m and \$5.0m, respectively, on the fair value remeasurement of the contingent consideration and put option during the third and three quarters ended December 28, 2025 (third and three quarters ended December 29, 2024 - gains of \$0.6m and \$11.5m, respectively). These losses are included in net interest, finance and other costs within the interim statements of income (loss).
- (d) Unrealized gains and losses on the translation of the term loan facility from USD to CAD, net of the effect of derivative transactions entered into to hedge a portion of the exposure to foreign currency exchange risk. These costs are included in net interest, finance and other costs within the interim statements of income (loss).
- (e) Calculated as depreciation and amortization as determined in accordance with IFRS Accounting Standards. Depreciation and amortization includes depreciation on right-of-use assets under IFRS 16, *Leases*.
- (f) Calculated as net income attributable to non-controlling interest within the interim statements of income (loss) of \$(1.4)m and \$(2.5)m for the put option liability and contingent consideration revaluation related to the non-controlling interest within the Japan Joint Venture for the third and three quarters ended December 28, 2025 (third and three quarters ended December 29, 2024 - net income attributable to non-controlling interest of \$0.3m and \$5.8m, respectively).

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following table summarizes the Company's consolidated statement of cash flows for the third and three quarters ended December 28, 2025 compared to the third and three quarters ended December 29, 2024.

CAD \$ millions	Third quarter ended			Three quarters ended		
	December 28, 2025	December 29, 2024	\$ Change	December 28, 2025	December 29, 2024	\$ Change
Total cash (used in) from:						
Operating activities	336.2	348.0	(11.8)	78.1	154.7	(76.6)
Investing activities	(15.8)	(9.9)	(5.9)	(27.3)	(15.4)	(11.9)
Financing activities	(60.9)	(124.0)	63.1	(34.7)	(5.6)	(29.1)
Effects of foreign currency exchange rate changes on cash	(6.8)	2.3	(9.1)	(3.6)	6.6	(10.2)
Increase in cash	252.7	216.4	36.3	12.5	140.3	(127.8)
Cash, beginning of period	94.2	68.8	25.4	334.4	144.9	189.5
Cash, end of period	346.9	285.2	61.7	346.9	285.2	61.7

Cash Requirements

Our primary need for liquidity is to fund net working capital, capital expenditures including new stores, general corporate requirements of our business and debt services. Our primary source of liquidity to meet our cash requirements is cash generated from operating activities over our annual operating cycle. We also utilize the Mainland China credit facilities, the Japan credit facility, and the revolving credit facility, to provide short-term liquidity and to have funds available for net working capital. Our ability to fund our operations, invest in planned capital expenditures, meet debt obligations, and repay or refinance indebtedness depends on our future operating performance and cash flows, which are subject, but not limited to, prevailing economic, financial, and business conditions, some of which are beyond our control. Cash generated from operating activities is significantly impacted by the seasonality of our business. Historically, cash flows from operating activities have been highest in the third and fourth fiscal quarters of the fiscal year due to revenue from the DTC channel and the collection of receivables from wholesale revenue recognized earlier in the year.

As at December 28, 2025, total inventory was \$408.7m, substantially unchanged compared to \$407.4m as at December 29, 2024. This increase was driven by an increase in work in progress ahead of our Spring/Summer 26 collection launch. Partially offsetting this was a decrease in raw

materials inventory by \$2.6m from the comparative quarter mainly due to lower packaging supplies and lower safety stock as we continue to improve purchasing with continued monitoring on production requirements. Finished goods inventory was flat compared to December 29, 2024.

As at December 28, 2025, the increase in total inventory compared to March 30, 2025 was attributable to planned higher finished goods inventory.

We continue to monitor the levels of inventory in each of our sales channels and across geographic regions and intend to continue to align inventory with demand that we forecast in each region.

Cash flows from operating activities

Cash flows from operating activities were \$336.2m for the third quarter ended December 28, 2025 compared to \$348.0m for the third quarter ended December 29, 2024. The decrease in cash flows from operating activities of \$11.8m was primarily driven by movements in working capital, reflecting lower collections of trade receivables and lower contribution from accounts payable and accrued liabilities due to timing differences in payments related to inventory purchases and marketing expenditures.

Cash flows from operating activities were \$78.1m for the three quarters ended December 28, 2025 compared to \$154.7m for the three quarters ended December 29, 2024. The decrease in cash flows from operating activities of \$76.6m was driven by higher net loss and higher income taxes paid of \$22.5m.

Cash flows used in investing activities

Cash flows used in investing activities were \$15.8m for the third quarter ended December 28, 2025 compared to \$9.9m for the third quarter ended December 29, 2024. The increase in cash flows used in investing activities of \$5.9m was primarily due to higher capital expenditures related to upcoming and newly opened retail locations.

Cash flows used in investing activities were \$27.3m for the three quarters ended December 28, 2025 compared to \$15.4m for the three quarters ended December 29, 2024. The increase in cash flows used in investing activities of \$11.9m was primarily due to higher capital expenditures related to upcoming new retail locations.

Cash flows used in financing activities

Cash flows used in financing activities were \$60.9m for the third quarter ended December 28, 2025 compared to cash flows used in financing activities of \$124.0m for the third quarter ended December 29, 2024. The decrease in cash flows used in financing activities of \$63.1m was driven by lower repayments on the Mainland China credit facilities and the revolving facility, by \$30.9m and \$52.9m respectively, partially offset by increased repayments on the Japan credit facility of \$20.9m.

Cash flows used in financing activities were \$34.7m for the three quarters ended December 28, 2025 compared to \$5.6m for the three quarters ended December 29, 2024. The increase in cash flows used in financing activities of \$29.1m was driven by decreased borrowings of \$30.1m and \$18.4m, on the Mainland China credit facilities and the Japan credit facility, respectively. This was slightly offset by increased borrowings on the term loan facility by \$18.6m, as a result of the Amendment to Term Loan (as defined below).

Indebtedness

The following table presents our net debt¹ as at December 28, 2025, December 29, 2024, and March 30, 2025.

CAD \$ millions	December 28, 2025	December 29, 2024	\$ Change	March 30, 2025	\$ Change
Cash	346.9	285.2	61.7	334.4	12.5
Mainland China Facilities	—	(30.1)	30.1	—	—
Japan Facility	(11.4)	(35.2)	23.8	—	(11.4)
Term Loan	(410.1)	(416.3)	6.2	(412.4)	2.3
Lease liabilities	(338.4)	(350.0)	11.6	(330.8)	(7.6)
Net debt¹	(413.0)	(546.4)	133.4	(408.8)	(4.2)

¹ Net debt is a non-IFRS financial measure. See “Non-IFRS Financial Measures and Other Specified Financial Measures” for a description of this measure.

As at December 28, 2025, net debt¹ was \$413.0m compared to \$546.4m as at December 29, 2024. The decrease of \$133.4m was driven by an increase in cash and lower borrowings on our debt facilities. Net debt leverage¹ as at December 28, 2025 was 1.5 times adjusted EBITDA, compared to 1.9 times adjusted EBITDA as at December 29, 2024.

Net debt¹ was \$408.8m as at March 30, 2025. The increase of \$4.2m as at December 28, 2025 was primarily driven by an increase in lease liabilities of \$7.6m.

¹ Net debt is a non-IFRS financial measure and net debt leverage is a non-IFRS ratio. See “Non-IFRS Financial Measures and Other Specified Financial Measures” for a description of these measures.

See “Note 10. Borrowings” in our Interim Financial Statements, “Note 17. Borrowings” in our Annual Financial Statements and, “Factors Affecting Our Performance” and “Indebtedness” in the MD&A section of our fiscal 2025 Annual Report for detailed information on our debt facilities and seasonality of the business.

Amendment to Term Loan Facility

On August 21, 2025, the Company entered into a refinancing amendment to its existing term loan facility (“Amendment to Term Loan”). Following the Amendment to Term Loan, the aggregate principal amount of the term loan facility was USD300.0m, the applicable interest rate applied to the secured overnight financing rate (“SOFR”) borrowings was SOFR+3.50% with SOFR subject to a floor of 0.50%, and a maturity date of August 23, 2032. The Company accounted for the Amendment to Term Loan as a debt extinguishment due to the change in the syndicate lenders, decrease in the interest rate and extension of maturity date. As a result, deferred financing costs of USD0.3m related to the previous term loan facility were written-off and recorded to net interest, finance and other costs in the interim statements of income (loss). The Company incurred transaction costs of \$5.7m (USD4.1m) and an original issue discount of \$1.0m (USD0.8m), which are being amortized using the effective interest rate method over the new term to maturity.

Normal Course Issuer Bid

Normal course issuer bid for Fiscal 2026

In November 2025, the Company renewed its normal course issuer bid in relation to its subordinate voting shares (“Fiscal 2026 NCIB”). The Company is authorized to make purchases under the Fiscal 2026 NCIB from November 10, 2025 to November 9, 2026, in accordance with

the requirements of the Toronto Stock Exchange (the “TSX”). The Board of Directors of the Company has authorized the Company to repurchase up to 4,578,677 subordinate voting shares, representing approximately 10.0% of the Public Float (as defined in the rules of the TSX) for the subordinate voting shares as at October 27, 2025. Purchases will be made by means of open market transactions on both the TSX and the New York Stock Exchange (the “NYSE”), or alternative trading systems, if eligible, and will conform to their regulations. Under the Fiscal 2026 NCIB, the Company is allowed to repurchase daily, through the facilities of the TSX, a maximum of 58,127 subordinate voting shares, representing 25% of the average daily trading volume, as calculated per the TSX rules for the six-month period starting on May 1, 2025 and ending on October 31, 2025.

In connection with the Fiscal 2026 NCIB, the Company also entered an automatic share purchase plan (the “ASPP”) under which a designated broker may purchase subordinate voting shares under the Fiscal 2026 NCIB during the regularly scheduled quarterly trading blackout periods of the Company. The repurchases made under the ASPP will be made in accordance with certain purchasing parameters and will continue until the earlier of the date in which the Company has purchased the maximum value of subordinate voting shares pursuant to the Fiscal 2026 NCIB or upon the date of expiry of the Fiscal 2026 NCIB.

Since the commencement of the bid on November 10, 2025, the Company made no repurchases under the Fiscal 2026 NCIB.

During the three quarters ended December 28, 2025 and the three quarters ended December 29, 2024, the Company made no repurchases under the normal course issuer bid in place.

Contractual Obligations

Refer to “*Contractual Obligations*” in the MD&A section of our fiscal 2025 Annual Report and “*Note 15. Financial risk management objectives and policies*” of our Interim Financial Statements for a summary of the significant contractual obligations and other obligations of the Company. There have been no material changes since March 30, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

The Company uses off-balance sheet arrangements including letters of credit and guarantees in connection with certain obligations including leases. Other than those items disclosed here and elsewhere in this MD&A and our financial statements, we did not have any material off-balance sheet arrangements or commitments as at December 28, 2025.

See “*Note 15. Financial risk and management objectives and policies*” in the Interim Financial Statements and “*Off-Balance Sheet Arrangements*” in the MD&A section of our fiscal 2025 Annual Report for detailed information on our off-balance sheet arrangements.

OUTSTANDING SHARE CAPITAL

Canada Goose is a publicly traded company and the subordinate voting shares are listed on the New York Stock Exchange (NYSE: GOOS) and on the Toronto Stock Exchange (TSX: GOOS). As at January 29, 2026, there were 46,124,373 subordinate voting shares issued and outstanding, and 51,004,076 multiple voting shares issued and outstanding.

As at January 29, 2026, there were 5,727,020 options, 1,139,839 restricted share units, and 1,153,574 performance share units outstanding under the Company’s equity incentive plans, of which 3,042,666 options were vested as of such date. Each option is exercisable for one

subordinate voting share. We expect that vested restricted share units and performance share units, including any additional performance share units, vested for performance achieved above target, will be paid at settlement through the issuance of one subordinate voting share per unit.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks arising from transactions in the normal course of our business. Such risk is principally associated with credit risk, foreign exchange risk, and interest rate risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from the possibility that certain parties will be unable to discharge their obligations. The Company manages its credit risk through a combination of third-party credit insurance and internal house risk processes. Under the Company's agreement with the insurer, approved credit limits are established for certain designated customers and up to 90% of their trade accounts receivable balances are insured. The policy includes a deductible of \$0.1m and an annual coverage limit of \$30.0m.

Moreover, within Canada Goose Japan, the Company has an agreement with a third-party who has insured the risk of trade accounts receivable for certain designated customers for a maximum of JPY540.0m per annum subject to a deductible of 10% and applicable only to accounts with receivables over JPY0.1m.

Our exposure to credit risk has not significantly changed from the fiscal year ended March 30, 2025. See "Note 15. Financial Risk Management Objectives and Policies" of our Interim Financial Statements and "Quantitative and Qualitative Disclosures about Market Risk" in our fiscal 2025 Annual Report for detailed information on the Company's credit risk.

Foreign exchange risk

Foreign exchange risk in operating cash flows

Our Interim Financial Statements are expressed in Canadian dollars, but a substantial portion of the Company's revenues, purchases, and expenses are denominated in foreign currencies, primarily U.S. dollars, euros, British pounds sterling, Swiss francs, Chinese yuan, Hong Kong dollars, Japanese yen, Taiwanese dollars, and Australian dollars. Net monetary assets denominated in currencies other than Canadian dollars that are held in entities with Canadian dollar functional currency are translated into Canadian dollars at the foreign currency exchange rate in effect at the balance sheet date. Revenues and expenses of all foreign operations are translated into Canadian dollars at the foreign currency exchange rates that approximate the rates in effect at the dates when such items are recognized. As a result, we are exposed to foreign currency translation gains and losses from our foreign operations into Canadian dollars. Appreciating foreign currencies relative to the Canadian dollar, to the extent they are not hedged, will positively impact operating income and net income by increasing our revenue, while depreciating foreign currencies relative to the Canadian dollar will have the opposite impact.

We are also exposed to fluctuations in the prices of U.S. dollar and euro denominated purchases as a result of changes in U.S. dollar or euro exchange rates. Most of our raw materials are sourced outside of Canada, primarily in U.S. dollars, and SG&A expenses are typically denominated in the currency of the country in which they are incurred. As a result, we

are exposed to foreign currency exchange fluctuations on multiple currencies. A depreciating Canadian dollar relative to the U.S. dollar or euro will negatively impact operating income and net income by increasing our costs of raw materials, while an appreciating Canadian dollar relative to the U.S. dollar or euro will have the opposite impact.

As part of our risk management program, we have entered into foreign exchange derivative contracts to manage our exposures to exchange rate fluctuations for future foreign currency transactions, which is intended to reduce the variability of our operating costs and future cash flows denominated in local currencies. Certain forward foreign exchange contracts were designated at inception and accounted for as cash flow hedges.

Foreign exchange risk on borrowings

We are further exposed to translation and transaction risks associated with foreign currency exchange fluctuations on foreign currencies denominated principal and interest amounts payable under the Mainland China credit facilities, the Japan credit facility, the revolving credit facility, and the term loan facility. The Company has entered into derivative transactions to hedge 90% or USD270.0m of its exposure to foreign currency exchange risk related to principal payments on the term loan facility denominated in U.S. dollars.

Following the Amendment to Term Loan on August 21, 2025, the Company entered into cross currency swap agreements terminating on December 31, 2030 to hedge a portion of its exposure to interest rate risk and foreign currency exchange risk. The cross currency swaps involve a periodic exchange of floating rate interest payments in USD, for fixed rate interest payments in CAD. At the hedge maturity date, there will be an exchange of notional principal amounts of USD270.0m for \$373.6m. The cross currency swaps are designated and accounted for as cash flow hedges. The previous forward exchange contracts and interest rate swap contracts were terminated due to the debt extinguishment. As a result, the Company received \$6.6m in cash for the termination of the foreign exchange forwards and interest rate swaps which were recorded to net interest, finance and other costs in the interim statements of income (loss) during the second quarter ended September 28, 2025.

See “*Note 15. Financial risk and management objectives and policies*” in our Interim Financial Statements and the “*Foreign Exchange Risk*” section of the MD&A in our Fiscal 2025 Annual Report, for detailed information about the Company’s hedging program.

Interest rate risk

The Company is exposed to interest rate risk related to the effect of interest rate changes on the borrowings outstanding under the Mainland China credit facilities, Japan credit facility, revolving facility and the term loan, which currently bear interest rates at 2.94%, 1.20%, 3.81% and 7.37%, respectively.

Interest rate risk on the term loan is partially mitigated by cross currency swap hedges. Refer to “*Foreign exchange risk on borrowings*” above for more details.

Based on the closing balance of outstanding borrowings, a 1.00% increase in the closing interest rate during the three quarters ended December 28, 2025 would have increased interest expense on the Japan credit facility and the term loan before hedging, by \$0.1m and \$3.1m, respectively (three quarters ended December 29, 2024 - \$0.3m and \$3.1m, respectively). In the comparative period, as at the three quarters ended December 29, 2024, along with the Japan credit facility and the term loan, the Company also had outstanding borrowings on the Mainland

China credit facilities, for which a 1.00% increase in the closing interest rate would have increased interest expense by \$0.2m.

LITIGATION AND OTHER CONTINGENCIES

In the ordinary course of business, the Company may become subject to legal and regulatory proceedings and actions relating to its business, including matters involving its products, and contractual and employment relationships. The Company records contingent liabilities when a loss related to a claim is assessed to be probable and reasonably estimable.

During the first quarter ended June 29, 2025, an arbitral decision was rendered in respect of an arbitration that took place in fiscal 2024 between the Company and a former supplier of the Company in connection with a previously announced commercial dispute relating to the termination of a contract in 2021. The arbitration resulted in an unfavourable decision against the Company with financial compensation to be awarded to the former supplier.

Refer to “*Note 23. Litigation and other contingencies*” in our Annual Financial Statements for previously disclosed information on the matter.

As a result of the financial award under the arbitration, the Company was required to make a one-time payment to the former supplier of USD32.0m (\$43.8m), inclusive of legal costs, which was recognized in SG&A expenses in the interim statements of income (loss). The award and legal costs were paid to the former supplier during the second quarter ended September 28, 2025.

RELATED PARTY TRANSACTIONS

The Company enters into transactions from time to time with its principal shareholders, as well as organizations affiliated with members of the Board of Directors and key management personnel by incurring expenses for business services. During the third and three quarters ended December 28, 2025, the Company had transactions with related parties of \$0.7m and \$2.3m, respectively, (third and three quarters ended December 29, 2024 - \$0.2m and \$1.3m, respectively) from companies related to certain shareholders. Balances owing to related parties as at December 28, 2025 were \$0.6m (December 29, 2024 - \$0.5m, March 30, 2025 - \$0.4m).

A lease liability due to the former controlling shareholder of the acquired Baffin Inc. business (the “Baffin Vendor”) for leased premises was \$0.9m as at December 28, 2025 (December 29, 2024 - \$2.0m, March 30, 2025 - \$1.7m). During the third and three quarters ended December 28, 2025, the Company paid principal and interest on the lease liability and other operating costs to entities affiliated with the Baffin Vendor totalling \$0.4m and \$1.3m, respectively (third and three quarters ended December 29, 2024 - \$0.4m and \$1.3m, respectively). No amounts were owing to Baffin entities as at December 28, 2025, December 29, 2024, and March 30, 2025.

The Japan Joint Venture has lease liabilities due to the non-controlling shareholder, Sazaby League, for leased premises. Lease liabilities were \$1.0m as at December 28, 2025 (December 29, 2024 - \$1.5m, March 30, 2025 - \$1.4m). During the third and three quarters ended December 28, 2025, the Company incurred principal and interest on lease liabilities, royalty fees, and other operating costs to Sazaby League totalling \$0.9m and \$3.2m, respectively (third and three quarters ended December 29, 2024 - \$0.8m and \$2.6m, respectively). Balances owing to Sazaby League as at December 28, 2025 were \$0.4m (December 29, 2024 - \$0.3m, March 30, 2025 - \$0.4m).

During the third and three quarters ended December 28, 2025, the Japan Joint Venture sold inventory of \$0.7m and \$0.7m, respectively, to companies wholly owned by Sazaby League (third and three quarters ended December 29, 2024 - \$0.7m and \$0.9m, respectively). As at December 28, 2025, the Japan Joint Venture recognized a trade receivable of \$0.6m from these companies (December 29, 2024 - \$0.6m, March 30, 2025 - \$0.1m).

In connection with the Paola Confectii business combination that occurred on November 1, 2023, subject to the controlling shareholders of Paola Confectii SRL ("PCML Vendors") remaining employees through November 1, 2025, an additional consideration was payable to the PCML Vendors if certain performance conditions were met based on financial results ("Earn-Out"). During the third and three quarters ended December 28, 2025, the Company recognized \$3.3m and \$15.2m, respectively, of remuneration costs (third and three quarters ended December 29, 2024 - \$1.2m and \$2.7m, respectively) related to the Earn-Out in SG&A in the interim statements of income (loss). As at December 29, 2024, these costs were included in other long term liabilities in the interim statement of financial position, and were fully paid as at December 28, 2025.

A lease liability due to one of the PCML Vendors for leased premises was \$1.1m as at December 28, 2025 (December 29, 2024 - \$1.2m, March 30, 2025 - \$1.2m). During the third and three quarters ended December 28, 2025, the Company paid principal and interest on the lease liability, to one of the PCML Vendors totalling less than \$0.1m and \$0.1m, respectively (third and three quarters ended December 29, 2024 - less than \$0.1m and \$0.1m). No amounts were owing to one of the PCML Vendors as at December 28, 2025, December 29, 2024, and March 30, 2025.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our Interim Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). The preparation of our financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. See "*Critical Accounting Policies and Estimates*" in our MD&A within the fiscal 2025 Annual Report for detailed information.

CHANGES IN ACCOUNTING POLICIES

Standards issued and not yet adopted

Certain new standards, amendments, and interpretations to existing IFRS Accounting Standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments, and interpretations is provided below.

In May 2024, the IASB issued amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosure* to clarify the timing of recognition and derecognition of financial assets and liabilities, the settlement of financial liabilities using an electronic payment system, and the assessment of contractual cash flow characteristics, classification and disclosure of financial assets with environmental, social, and governance linked or other

contingent features. The IASB also amended the disclosure requirements for investments in equity instruments designated as fair value through other comprehensive income and added disclosure requirements for financial instruments with contingent features. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Company is currently evaluating the impact of these amendments on the consolidated financial statements.

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1, *Presentation of Financial Statements*. Many requirements from IAS 1 remain unchanged into IFRS 18. The standard sets out requirements on presentation and disclosures in financial statements. It introduces a defined structure for the statement of income composed of required categories and subtotals. The standard also introduces specific disclosure requirements for management-defined performance measures and a reconciliation between these measures and the most similar subtotal specified in IFRS Accounting Standards, which must be disclosed in a single note. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted. The Company is currently evaluating the impact of the adoption of IFRS 18 on the consolidated financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Management, including the CEO and CFO, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act). Based on that evaluation, the CEO and CFO concluded that such disclosure controls and procedures were effective as of December 28, 2025 to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods and is accumulated and communicated to management, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the CEO and the CFO and effected by the Board of Directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that accurately and fairly reflect, in reasonable detail, the transactions and dispositions of assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS Accounting Standards and that the receipts and expenditures of the Company are made only in accordance with authorizations of management and directors; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the assets of the Company that could have a material effect on the consolidated financial statements.

There has been no change in the Company's internal control over financial reporting during the three quarters ended December 28, 2025 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. Management determined that the Company's internal control over financial reporting was effective as of December 28, 2025.

Limitations of Controls and Procedures

Due to its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Management's projections of any evaluation of the effectiveness of internal control over financial reporting as to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.