



Management's **discussion and analysis**

Fiscal 2026

For the six-month period ended September 30, 2025

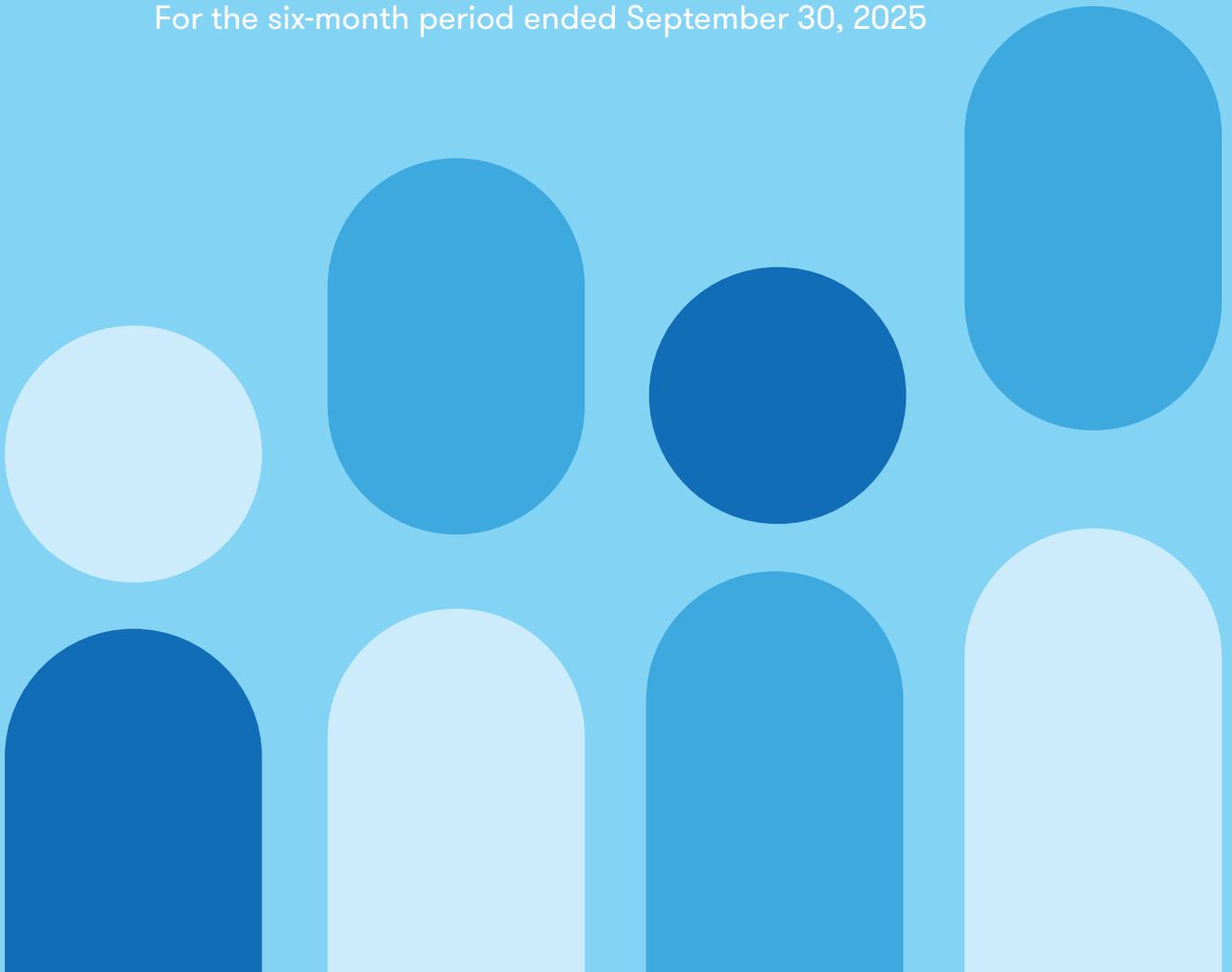


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BASIS OF PREPARATION AND FORWARD-LOOKING STATEMENTS

The following is the Management's Discussion and Analysis ("MD&A") of the results of operations and financial position of Stingray Group Inc., ("Stingray" or "the Corporation"), and should be read in conjunction with the Corporation's unaudited interim consolidated financial statements and accompanying notes for three-month and six-month periods ended September 30, 2025 and 2024, and with the most recent audited consolidated financial statements and MD&A for the year ended March 31, 2025. This MD&A reflects information available to the Corporation as at November 11, 2025. Additional information relating to the Corporation is also available on SEDAR+ at www.sedarplus.ca. The auditors of the Corporation have not performed a review of the interim financial report for the three-month and six-month periods ended September 30, 2025 and 2024.

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

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include but are not limited to the risk factors disclosed in the Annual Information Form for the year ended March 31, 2025 available on SEDAR+.

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

OVERVIEW

Stingray (TSX: RAY.A; RAY.B), a global music, media, and technology company, is an industry leader in TV broadcasting, streaming, radio, business services, and advertising. Stingray provides an array of music, digital, and advertising services to enterprise brands worldwide, including audio and video channels, 97 radio stations, subscription video-on-demand content, FAST channels, karaoke products and music apps, and in-car and on-board infotainment content. Stingray Business, a division of Stingray, provides commercial solutions in music, in-store advertising solutions, digital signage, and AI-driven consumer insights and feedback. Stingray Advertising is North America's largest retail audio advertising network, delivering digital audio messaging to more than 33,500 major retail locations. Stingray has over 1,000 employees worldwide and reaches 540 million consumers in 160 countries. For more information, visit www.stingray.com.

KEY PERFORMANCE INDICATORS

For the three-month period ended September 30, 2025 ("Q2 2026"):

\$113.3 M ▲ 21.0% from Q2 2025 Revenues	\$11.8 M ▲ 102.5% from Q2 2025 Net income Or \$0.17 per share diluted	\$24.3 M ▲ 26.8% from Q2 2025 Cash flow from operating activities Or \$0.35 per share diluted ⁽¹⁾
\$39.5 M ▲ 16.3% from Q2 2025 Adjusted EBITDA ⁽¹⁾	\$21.9 M ▲ 30.8% from Q2 2025 Adjusted Net income ⁽¹⁾ Or \$0.32 per share diluted ⁽¹⁾	\$28.4M ▲ 34.6% from Q2 2025 Adjusted free cash flow ⁽¹⁾ Or \$0.41 per share diluted ⁽¹⁾

FINANCIAL AND BUSINESS HIGHLIGHTS

Highlights of the second quarter ended September 30, 2025:

Compared to the quarter ended September 30, 2024 ("Q2 2025"):

- Revenues increased 21.0% to \$113.3 million from \$93.6 million;
- Adjusted EBITDA⁽¹⁾ increased 16.3% to \$39.5 million from \$34.0 million. Adjusted EBITDA by segment was \$31.2 million or 38.5% of revenues for Broadcasting and Commercial Music, \$10.2 million or 31.5% of revenues for Radio and \$(1.9) million for Corporate;
- Net income increased to \$11.8 million (\$0.17 per share diluted) from \$5.8 million (\$0.08 per share diluted);
- Adjusted Net income⁽¹⁾ increased to \$21.9 million (\$0.32 per share diluted) from \$16.7 million (\$0.24 per share diluted);
- Cash flow from operating activities increased 26.8% to \$24.3 million (\$0.35 per share diluted) compared to \$19.2 million (\$0.28 per share diluted);
- Adjusted free cash flow⁽¹⁾ increased to \$28.4 million (\$0.41 per share diluted) compared to \$21.1 million (\$0.31 per share diluted);
- Net debt to Pro Forma Adjusted EBITDA⁽¹⁾ ratio of 2.13x, compared with 2.72x and;
- 311,500 shares repurchased and cancelled for a total of \$3.1 million, compared with 333,400 shares repurchased and cancelled for a total of \$2.5 million.

Note:

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

Additional business highlights for the second quarter and subsequent events:

- On November 11, 2025, the Corporation announced it has entered into an agreement to acquire Tuneln Holdings, Inc., a pioneer in live audio streaming and ad monetization. This acquisition significantly expands Stingray's global digital audio footprint, accelerates its growth in streaming services and bolsters its advertising offering by incorporating Tuneln's comprehensive ad platform, which delivers targeted audio, video, and display advertising solutions.
- On November 11, 2025, the Corporation declared a dividend of \$0.085 per subordinate voting share, variable subordinate voting share and multiple voting share. The dividend will be payable on or around December 15, 2025, to shareholders on record as of November 28, 2025.
- On November 10, 2025, the Corporation secured an additional US\$150 million term loan under its existing credit facility for the purpose of financing the acquisition of Tuneln Holdings, Inc. Additionally, the maturity date of the credit facility was extended by one year to November 10, 2029.
- On October 30, 2025, the Corporation announced acquisition of DMI, a U.S. based leader in music branding and in-store audio advertising. This strategic acquisition expands Stingray's retail media network by approximately 8,500 locations in the United States, bringing the total to 33,500 locations in North America and solidifying its position as a key player in the industry.
- On October 14, 2025, the Corporation joined forces with Just For Laughs, the world's leading comedy brand, in a strategic partnership to develop and expand Free Ad-Supported Streaming TV (FAST) channels featuring premium comedy content across global markets with an emphasis on audio entertainment.
- On October 9, 2025, the Corporation announced the expansion of its partnership with Roku. Seven of Stingray's popular FAST channels are now available to Roku users in the UK, offering a diverse range of free, ad-supported content. The newly launched channels provide viewers with a curated selection of music and ambient experiences to suit any mood or occasion.
- On October 2, 2025, the Corporation partnered with TELUS, a world-leading communications technology company, to launch seven new, free ad-supported streaming television (FAST) channels on TELUS TV+ and Stream+. This strategic expansion enhances the entertainment experience for viewers across Canada, offering a diverse and expertly curated selection of music and lifestyle channels that cater to every mood and occasion, from cinematic soundscapes to serene wellness content.
- On September 24, 2025, the Corporation announced that the Toronto Stock Exchange ("TSX") has approved the renewal of its normal course issuer bid ("NCIB"), authorizing Stingray to repurchase up to an aggregate 3,710,428 subordinate voting shares and variable subordinate voting shares (collectively, "Subordinate Shares"), representing approximately 10% of the "public float" (as defined in the TSX Company Manual) of Subordinate Shares as at September 15, 2025.
- On September 8, 2025, the Corporation announced the launch of an advanced karaoke experience for BYD vehicles. This launch marks the debut of Stingray Karaoke's new scoring mode, now fully integrated with the recently acquired Singing Machine's next-generation microphones featuring the revolutionary Perfect Pitch technology to deliver unparalleled accuracy in vocal performance evaluation.
- On September 4, 2025, the Corporation announced that its Loupe Art service has launched as a premier partner on LG Electronics' new LG Gallery+ service. This integration provides LG TV owners with access to a curated collection of high-resolution, original artworks from a diverse, global roster of contemporary artists.
- On August 21, 2025, the Corporation announced the launch of 29 free ad-supported FAST channels on Amazon Fire TV Channels in the United States, significantly expanding Stingray's content offering on the popular free ad-supported streaming service.
- On August 19, 2025, the Corporation announced the launch of six new free ad-supported streaming television (FAST) channels on The Roku Channel in the United States and Canada. This latest expansion brings a diverse range of curated music and video experiences to millions of viewers, available at no cost.
- On August 18, 2025, the Corporation announced the launch of a suite of free ad-supported streaming television (FAST) channels as part of Hisense Channels available on Hisense Smart TVs. This expansion brings both audio music channels and immersive video experiences to all smart TV users of Hisense and Hisense Google, offering a diverse range of entertainment options to suit various tastes and preferences.
- On August 11, 2025, the Corporation announced the launch of several new channels on LG Channels, expanding its entertainment offerings in Brazil and Mexico.

- On August 4, 2025, The Corporation announced the acquisition of all assets of The Singing Machine Company to bolster its In-Car Karaoke offering with integrated microphones.
- On July 24, 2025, the Corporation announced the launch of six new free ad-supported streaming television (FAST) channels on WatchFree+, VIZIO's free streaming service. This expansion increases Stingray's offering on the platform, providing VIZIO customers with an even wider array of curated music experiences.
- On July 7, 2025, the Corporation announced that The Honourable Jean Charest, former Premier of Québec and Deputy Prime Minister of Canada, has been nominated for election to its Board of Directors at Stingray's Annual General Meeting (AGM), to be held on August 6, 2025. Mr. Charest is one of Canada's best known political figures.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

(in thousands of Canadian dollars, except per share diluted amounts)	3 months				6 months			
	Sept. 30, 2025		Sept. 30, 2024		Sept. 30, 2025		Sept. 30, 2024	
	Q2 2026		Q2 2025		YTD 2026		YTD 2025	
	\$	% of revenues						
Revenues	113,262	100.0 %	93,585	100.0 %	208,899	100.0 %	182,655	100.0 %
Operating expenses	78,133	69.0 %	61,460	65.7 %	143,976	68.9 %	120,426	65.9 %
Depreciation, amortization and write-off	7,279	6.4 %	7,306	7.8 %	14,850	7.1 %	14,642	8.0 %
Net finance expense (income) ⁽¹⁾	9,282	8.2 %	12,162	13.0 %	6,528	3.1 %	21,261	11.6 %
Change in fair value of investments	(15)	0.0 %	29	0.0 %	22	0.0 %	(13)	0.0 %
Share of results of investments in associates	73	0.1 %	1,827	2.0 %	373	0.2 %	3,879	2.1 %
Loss on disposal of an investment	–	0.0 %	–	0.0 %	450	0.2 %	–	0.0 %
Acquisition, legal, restructuring and other expenses	2,832	2.5 %	2,531	2.7 %	4,347	2.1 %	3,372	1.8 %
Income before income taxes	15,678	13.8 %	8,270	8.8 %	38,353	18.3 %	19,088	10.6 %
Income taxes	3,906	3.4 %	2,457	2.6 %	9,798	4.7 %	5,980	3.4 %
Net income	11,772	10.4 %	5,813	6.2 %	28,555	13.7 %	13,108	7.2 %
Adjusted EBITDA⁽²⁾	39,520	34.9 %	33,994	36.3 %	73,176	35.0 %	65,064	35.6 %
Adjusted Net income⁽²⁾	21,884	19.3 %	16,729	17.9 %	43,195	20.7 %	30,662	16.8 %
Cash flow from operating activities	24,329	21.5 %	19,183	20.5 %	43,316	20.7 %	29,933	16.4 %
Adjusted free cash flow⁽²⁾	28,396	25.1 %	21,103	22.5 %	47,194	22.6 %	36,565	20.0 %
Net debt⁽²⁾	321,128	–	367,490	–	321,128	–	367,490	–
Net debt to Pro Forma Adjusted EBITDA⁽²⁾	2.13x	–	2.72x	–	2.13x	–	2.72x	–
Net income per share basic and diluted	0.17	–	0.08	–	0.42	–	0.19	–
Adjusted Net income per share basic ⁽²⁾	0.32	–	0.24	–	0.64	–	0.45	–
Adjusted Net income per share diluted ⁽²⁾	0.32	–	0.24	–	0.63	–	0.44	–
Cash flow from operating activities per share basic ⁽²⁾	0.36	–	0.28	–	0.64	–	0.44	–
Cash flow from operating activities per share diluted ⁽²⁾	0.35	–	0.28	–	0.63	–	0.43	–
Adjusted free cashflow per share basic ⁽²⁾	0.42	–	0.31	–	0.70	–	0.53	–
Adjusted free cashflow per share diluted ⁽²⁾	0.41	–	0.31	–	0.69	–	0.53	–
Revenues by segment								
Broadcasting and Commercial Music	80,856	71.4 %	60,895	65.1 %	142,276	68.1 %	117,740	64.5 %
Radio	32,406	28.6 %	32,690	34.9 %	66,623	31.9 %	64,915	35.5 %
Revenues	113,262	100.0 %	93,585	100.0 %	208,899	100.0 %	182,655	100.0 %
Revenues by geography								
Canada	51,471	45.4 %	48,942	52.3 %	101,006	48.4 %	97,956	53.6 %
United States	51,942	45.9 %	32,889	35.1 %	87,095	41.7 %	60,841	33.3 %
Other Countries	9,849	8.7 %	11,754	12.6 %	20,798	9.9 %	23,858	13.1 %
Revenues	113,262	100.0 %	93,585	100.0 %	208,899	100.0 %	182,655	100.0 %

Notes:

- (1) Interest paid during the Q2 2026 was \$4.8 million (Q2 2025; \$6.4 million). Interest paid for YTD Q2 2026 was \$9.8 million (YTD Q2 2025; \$12.3 million).
- (2) This is a non-IFRS measure and is not a standardized financial measure. Our method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, our definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to “Supplemental Information on Non-IFRS Measures” on page 7 for more information on each non-IFRS measure and for reconciliations to the most directly comparable IFRS financial measure, refer to “Non-IFRS Measures Reconciliations” on page 9 and “Reconciliation of Quarterly Non-IFRS Measures” on page 19.

SUPPLEMENTAL INFORMATION ON NON-IFRS MEASURES

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

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

Adjusted EBITDA

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

Adjusted EBITDA margin

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

Adjusted free cash flow

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

Adjusted free cash flow per share diluted

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

Cash flow from operating activities per share diluted

Cash flow from operating activities per share diluted is calculated by dividing Cash flow from operating activities for a given period by the weighted average number of diluted shares.

Adjusted Net income

Adjusted Net income is a non-IFRS measure used by management to assess performance of the Corporation as it provides meaningful performance results and facilitates period-to-period comparisons. The Corporation believes Adjusted Net income is useful to investors because it helps identify underlying trends in our business that could otherwise be masked by certain write-offs, charges, income or recoveries that can vary from period to period. The Corporation believes that Adjusted Net income is an important measure as it shows stable results which allows users of the financial statements to better assess the trend in the profitability of the business. It is calculated

by excluding from the Net income unrealized gains or losses on derivative financial instruments, amortization from intangible assets, gains or losses from the change in fair value of investments, share-based compensation, performance and deferred share unit expense, impairment of goodwill, share of results of investments in associates, loss (gain) on disposal of an investment, other income and acquisition, legal, restructuring and other expenses, as well as the tax impact of these adjustments. Refer to section “Non-IFRS measures reconciliations” of this MD&A for a reconciliation of this measure to the most directly comparable measure under IFRS.

Adjusted Net income per share diluted

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

LTM Adjusted EBITDA

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

Pro Forma Adjusted EBITDA

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

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

Net debt

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

Net debt to Pro Forma Adjusted EBITDA ratio

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

NON-IFRS MEASURES RECONCILIATIONS

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

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

	3 months		6 months	
	Sept. 30, 2025	Sept. 30, 2024	Sept. 30, 2025	Sept. 30, 2024
(in thousands of Canadian dollars)	Q2 2026	Q2 2025	YTD 2026	YTD 2025
Net income	11,772	5,813	28,555	13,108
Net finance expense (income)	9,282	12,162	6,528	21,261
Change in fair value of investments	(15)	29	22	(13)
Income taxes	3,906	2,457	9,798	5,980
Depreciation and write-off of property and equipment	1,982	1,970	3,847	4,045
Depreciation of right-of-use assets	1,092	1,137	2,240	2,227
Amortization of intangible assets	4,205	4,199	8,763	8,370
Share-based compensation	177	106	(93)	236
Performance and deferred share unit expense	4,214	1,763	8,346	2,599
Share of results of investments in associates	73	1,827	373	3,879
Loss on disposal of an investment	–	–	450	–
Acquisition, legal, restructuring and other expenses	2,832	2,531	4,347	3,372
Adjusted EBITDA	39,520	33,994	73,176	65,064
Adjusted EBITDA margin	34.9%	36.3%	35.0%	35.6%
Net income	11,772	5,813	28,555	13,108
<i>Adjusted for:</i>				
Unrealized loss (gain) of derivative instruments	2,350	4,434	(2,185)	5,487
Amortization of intangible assets	4,205	4,199	8,763	8,370
Change in fair value of investments	(15)	29	22	(13)
Share-based compensation	177	106	(93)	236
Performance and deferred share unit expense	4,214	1,763	8,346	2,599
Share of results of investments in associates	73	1,827	373	3,879
Loss on disposal of an investment	–	–	450	–
Acquisition, legal, restructuring and other expenses	2,832	2,531	4,347	3,372
Income taxes related to above noted adjustments	(3,724)	(3,973)	(5,383)	(6,376)
Adjusted Net income	21,884	16,729	43,195	30,662
Average number of shares outstanding (diluted)	68,628	69,022	68,625	69,094
Adjusted Net income per share diluted (diluted)	0.32	0.24	0.63	0.44

	September 30, 2025	September 30, 2024	March 31, 2025
(in thousands of Canadian dollars)			
LTM Adjusted EBITDA	150,311	133,135	142,199
Permanent cost-saving initiatives	489	1,476	1,046
Adjusted EBITDA for the months prior to the business acquisition of The Coda Collection which are not already reflected in the results	–	449	150
Pro Forma Adjusted EBITDA	150,800	135,060	143,395

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

	3 months		6 months	
	Sept. 30, 2025	Sept. 30, 2024	Sept. 30, 2025	Sept. 30, 2024
(in thousands of Canadian dollars)	Q2 2026	Q2 2025	YTD 2026	YTD 2025
Cash flow from operating activities	24,329	19,183	43,316	29,933
<i>Add / Less :</i>				
Acquisition of property and equipment	(2,171)	(1,886)	(4,324)	(3,372)
Acquisition of intangible assets other than internally developed intangible assets	(262)	(205)	(598)	(649)
Addition to internally developed intangible assets	(1,307)	(1,268)	(2,701)	(2,550)
Interest paid	(4,830)	(6,356)	(9,785)	(12,335)
Repayment of lease liabilities	(1,415)	(1,324)	(2,282)	(2,316)
Net change in non-cash operating working capital items	9,709	9,848	19,464	22,681
Unrealized loss (gain) on foreign exchange	1,511	580	(243)	1,801
Acquisition, legal, restructuring and other expenses	2,832	2,531	4,347	3,372
Adjusted free cash flow	28,396	21,103	47,194	36,565

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

(in thousands of Canadian dollars)	September 30, 2025	September 30, 2024	March 31, 2025
Credit facilities	336,273	350,500	341,365
Subordinated debt	-	25,583	-
Cash and cash equivalents	(15,145)	(8,593)	(13,984)
Net debt	321,128	367,490	327,381
Net debt to Pro Forma Adjusted EBITDA	2.13	2.72	2.28

FINANCIAL RESULTS FOR THE PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

CONSOLIDATED PERFORMANCE

Revenues

Revenues are detailed as follows:

(in thousands of Canadian dollars)	3 months			6 months		
	Q2 2026	Q2 2025	% Change	YTD 2026	YTD 2025	% Change
Revenues by geography						
Canada	51,471	48,942	5.2	101,006	97,956	3.1
United States	51,942	32,889	57.9	87,095	60,841	43.2
Other Countries	9,849	11,754	(16.2)	20,798	23,858	(12.8)
Revenues	113,262	93,585	21.0	208,899	182,655	14.4

Global

Revenues in Q2 2026 increased \$19.7 million or 21.0% to \$113.3 million, from \$93.6 million for Q2 2025. The increase was mainly due to an increase in equipment sales related to the acquisition of The Singing Machine and to an increase in FAST channel revenues.

Cumulative revenues for Fiscal 2026 increased \$26.2 million or 14.4% to \$208.9 million, from \$182.7 million for cumulative Fiscal 2025. The increase was mainly due to an increase in FAST channel revenues and to an increase in equipment sales related to the acquisition of The Singing Machine.

Canada

Revenues in Canada in Q2 2026 increased \$2.6 million or 5.2% to \$51.5 million, from \$48.9 million for Q2 2025. The increase was largely due to an increase in equipment and installation sales related to digital signage.

Cumulative revenues in Canada for Fiscal 2026 increased \$3.0 million or 3.1% to \$101.0 million, from \$98.0 million for cumulative Fiscal 2025. The increase was mainly due to an increase in equipment and installation sales related to digital signage and to an increase in radio revenues.

United States

Revenues in the United States in Q2 2026 increased \$19.0 million or 57.9% to \$51.9 million, from \$32.9 million for Q2 2025. Cumulative revenues in the United States for Fiscal 2026 increased \$26.3 million or 43.2% to \$87.1 million, from \$60.8 million for cumulative Fiscal 2025. Both increases were mainly due to an increase in FAST channel revenues and to an increase in equipment sales related to the acquisition of The Singing Machine.

Other Countries

Revenues in Other countries in Q2 2026 decreased \$1.9 million or 16.2% to \$9.8 million, from \$11.7 million for Q2 2025. The decrease was primarily due to a decrease in subscriptions revenues.

Cumulative revenues in Other countries for Fiscal 2026 decreased \$3.1 million or 12.8% to \$20.8 million, from \$23.9 million for cumulative Fiscal 2025. The decrease was mainly due to a decrease in subscriptions revenues and to a decrease in audio channel revenues.

Operating expenses

Operating expenses in Q2 2026 increased \$16.6 million or 27.1% to \$78.1 million, from \$61.5 million for Q2 2025. Cumulative operating expenses for Fiscal 2026 increased \$23.6 million or 19.6% to \$144.0 million, from \$120.4 million for cumulative Fiscal 2025. Both increases were largely due to a higher cost of sales related to higher revenues and to higher performance and deferred share units expense related to an increase in the share price.

Adjusted EBITDA⁽¹⁾

Adjusted EBITDA in Q2 2026 increased \$5.5 million or 16.3% to \$39.5 million from \$34.0 million for Q2 2025. Adjusted EBITDA margin was 34.9% compared to 36.3% for Q2 2025. The increases of Adjusted EBITDA and Adjusted EBITDA margin were mainly driven by revenues growth, partially offset by higher operating expenses mostly due to higher cost of sales.

Cumulative Adjusted EBITDA for Fiscal 2026 increased \$8.1 million or 12.5% to \$73.2 million from \$65.1 million for cumulative Fiscal 2025. Adjusted EBITDA margin was 35.0% compared to 35.6% for cumulative Fiscal 2025. The increase of Adjusted EBITDA was mainly due to higher revenues, partially offset by higher operating expenses mostly due to higher cost of sales. The decrease of Adjusted EBITDA margin was mostly due to a lower gross margin on improved sales related to the acquisition of The Singing Machine.

Depreciation, amortization and write off

Depreciation, amortization and write off in Q2 2026 remained stable at \$7.3 million compared to Q2 2025. Cumulative depreciation, amortization and write off for Fiscal 2026 increased \$0.3 million or 1.4% to \$14.9 million, from \$14.6 million for cumulative Fiscal 2025. The increase was mainly due to more intangible assets to amortize compared to the prior period.

Net finance expense

Net finance expense for Q2 2026 was \$9.3 million, compared to \$12.2 million for Q2 2025. The decrease was mainly due to a lower unrealized loss on the fair value of derivative financial instruments and to a lower interest expense.

Cumulative Net finance expense for Fiscal 2026 decreased \$14.8 million or 69.3% to \$6.5 million, from \$21.3 million for cumulative Fiscal 2025. The decrease was mainly due to an unrealized gain on the fair value of derivative financial instruments, to a lower interest expense, to a decrease in the fair value of contingent considerations, and to a lower foreign exchange loss.

Acquisition, legal, restructuring and other expenses

(in thousands of Canadian dollars)	3 months			6 months		
	Q2 2026	Q2 2025	% Change	YTD 2026	YTD 2025	% Change
<u>Broadcast and Commercial Music</u>						
Acquisition	74	577	(87.3)	385	577	(33.4)
Legal	2,115	587	260.9	2,184	1,032	111.8
Restructuring and other	538	466	15.2	875	862	1.4
<u>Radio</u>						
Restructuring and other	105	901	(88.2)	903	901	0.3
Acquisition, legal, restructuring and other expenses	2,832	2,531	11.9	4,347	3,372	28.9

The increases in acquisition, legal, restructuring and other expenses in Q2 2026 and in Fiscal 2026 were mostly due to higher legal fees related to a patent dispute.

Note:

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

Income taxes

The income tax expense recognized in comprehensive income was \$3.9 million for Q2 2026 compared to \$2.5 million for Q2 2025. The effective tax rate for Q2 2026 was 24.9% compared to 29.7% for Q2 2025. The income tax expense recognized in comprehensive income was \$9.8 million for cumulative Fiscal 2026 compared to \$6.0 million for cumulative Fiscal 2025. The effective tax rate for cumulative Fiscal 2026 was 25.6% compared to 31.3% for cumulative Fiscal 2025. Both variances in the effective tax rates were mainly due to the variance in permanent differences.

Net income and Net income per share diluted

Net income in Q2 2026 was \$11.8 million (\$0.17 per share diluted) compared to \$5.8 million (\$0.08 per share diluted) for Q2 2025. The increase was mainly due to higher operating results and to an unrealized gain on the fair value on derivatives instruments, partially offset by higher performance and deferred share unit expense.

Cumulative Net income for Fiscal 2026 was \$28.6 million (\$0.42 per share diluted) compared to \$13.1 million (\$0.19 per share diluted) for cumulative Fiscal 2025. The increase was mainly due to higher operating results, to an unrealized gain on the fair value on derivatives instruments, to a loss in the share of results of investments in associates in the comparative period and to a lower interest expense, partially offset by higher performance and deferred share unit expense.

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

Adjusted Net income in Q2 2026 was \$21.9 million (\$0.32 per share diluted), compared to \$16.7 million (\$0.24 per share diluted) for Q2 2025. The increase was mainly due to higher operating results and lower interest expense, partially offset by higher income tax expense.

Cumulative Adjusted Net income for Fiscal 2026 was \$43.2 million (\$0.63 per share diluted), compared to \$30.7 million (\$0.44 per share diluted) for cumulative Fiscal 2025. The increase was mainly due to higher operating results, to lower interest expense and to a positive foreign exchange impact, partially offset by higher income tax expense.

Note:

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BUSINESS SEGMENT PERFORMANCE

BROADCASTING AND COMMERCIAL MUSIC

(in thousands of Canadian dollars)	3 months			6 months		
	Q2 2026	Q2 2025	% Change	YTD 2026	YTD 2025	% Change
Revenues	80,856	60,895	32.8	142,276	117,740	20.8
Operating expenses	49,695	35,922	38.3	86,682	69,816	24.2
Adjusted EBITDA⁽¹⁾	31,161	24,973	24.8	55,594	47,924	16.0
Adjusted EBITDA margin⁽¹⁾	38.5%	41.0%	(6.0)	39.1%	40.7%	(4.0)

Revenues

In Q2 2026, Broadcasting and Commercial Music revenues increased \$20.0 million or 32.8% to \$80.9 million, from \$60.9 million for Q2 2025. Cumulative Broadcasting and Commercial Music revenues for Fiscal 2026 increased \$24.6 million or 20.8% to \$142.3 million from \$117.7 million for cumulative Fiscal 2025. Both increases were primarily due to an increase in FAST channel revenues and to an increase in equipment sales related to the acquisition of The Singing Machine.

Adjusted EBITDA⁽¹⁾

In Q2 2026, Broadcasting and Commercial Music Adjusted EBITDA increased \$6.2 million or 24.8% to \$31.2 million from \$25.0 million for Q2 2025. Cumulative Broadcasting and Commercial Music Adjusted EBITDA for Fiscal 2026 increased \$7.7 million or 16.0% to \$55.6 million from \$47.9 million for cumulative Fiscal 2025. Both increases were largely due to higher revenues.

Note:

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

RADIO

(in thousands of Canadian dollars)	3 months			6 months		
	Q2 2026	Q2 2025	% Change	YTD 2026	YTD 2025	% Change
Revenues	32,406	32,690	(0.9)	66,623	64,915	2.6
Operating expenses	22,183	21,672	2.4	45,361	43,966	3.2
Adjusted EBITDA⁽¹⁾	10,223	11,018	(7.2)	21,262	20,949	1.5
Adjusted EBITDA margin⁽¹⁾	31.5%	33.7%	(6.4)	31.9%	32.3%	(1.1)

Revenues

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

In Q2 2026, Radio revenues decreased \$0.3 million or 0.9% to \$32.4 million from \$32.7 million for Q2 2025. Cumulative Radio revenues for Fiscal 2026 increased \$1.7 million or 2.6% to \$66.6 million from \$64.9 million for cumulative Fiscal 2025. Both variances were due to higher digital revenues, mostly offset by lower national airtime sales.

Adjusted EBITDA⁽¹⁾

In Q2 2026, Radio Adjusted EBITDA decreased \$0.8 million or 7.2% to \$10.2 million from \$11.0 million for Q2 2025.

Cumulative Radio Adjusted EBITDA for Fiscal 2026 increased \$0.3 million or 1.5% to \$21.3 million from \$20.9 million for cumulative Fiscal 2025. In both cases, EBITDA was negatively affected by the higher proportion of digital revenues, which comes with a higher cost of sale. Control over fixed costs increases helped minimize these overall cost increases.

Note:

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CORPORATE

(in thousands of Canadian dollars)	3 months			6 months		
	Q2 2026	Q2 2025	% Change	YTD 2026	YTD 2025	% Change
Operating expenses	6,255	3,866	61.8	11,933	6,644	79.6
<i>Adjust:</i>						
Share-based compensation	(177)	(106)	67.0	93	(236)	(139.4)
Performance and deferred share unit expense	(4,214)	(1,763)	139.0	(8,346)	(2,599)	221.1
Adjusted EBITDA⁽¹⁾	(1,864)	(1,997)	(6.7)	(3,680)	(3,809)	(3.4)

Adjusted EBITDA⁽¹⁾

Corporate Adjusted EBITDA represents the head office operating expenses less the share-based compensation and performance and deferred share unit expense. Both decreases in negative Adjusted EBITDA are related to lower professional services compared to corresponding periods.

Note:

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

Quarterly results

Revenues fluctuated over the last eight quarters from \$100.3 million in the third quarter of Fiscal 2024 to \$113.3 million in the second quarter of Fiscal 2026. These fluctuations, largely driven by the cyclical nature of the Corporation's business, were also influenced by several other factors. The decrease in Q4 2024 was mostly due to normal business seasonality. The increase in Q1 2025 was mostly due to higher Radio revenues, and to an increase in equipment and installation sales related to digital signage. The increase in Q2 2025 was mainly due to higher FAST channel revenues and to an increase in equipment and installation sales related to digital signage. The increase in Q3 2025 was primarily due to normal business seasonality and to higher FAST channel revenues. The decrease in Q4 2025 was mainly due to normal business seasonality. The slight decrease in Q1 2026 is due to a decrease in subscriptions revenues, largely offset by an increase in FAST channel revenues. The increase in Q2 2026 was mostly due to an increase in equipment and installation sales related to digital signage and to the acquisition of The Singing Machine, to an increase in FAST channel revenues and to higher retail media advertising revenues.

Adjusted EBITDA⁽¹⁾ fluctuated over the last eight quarters from \$38.6 million in the third quarter of Fiscal 2024 to \$39.5 million in the second quarter of Fiscal 2026. The decrease in Q4 2024 was mainly due to normal business seasonality. The increase in Q1 2025 was due to higher gross margin from higher revenues. The increase in Q2 2025 was largely due to higher revenues. The increase in Q3 2025 and the decrease in Q4 2025 were mainly due to normal business seasonality. The decrease in Q1 2026 was mainly due to a decrease in gross margin related to product mix and to higher operating expenses mostly due to higher salaries. The increase in Q2 2026 was largely due to higher revenues.

Net income (loss) fluctuated over the last eight quarters from a Net income of \$9.1 million in the third quarter of Fiscal 2024 to a Net income of \$11.8 million in the second quarter of Fiscal 2026. In Q4 2024, the decrease was largely due to the impairment of goodwill in the Radio segment. In Q1 2025, the increase was largely due to the impairment of goodwill in the Radio segment in the previous quarter. In Q2 2025, the decrease was mainly due to a higher loss on the fair value of derivative financial instruments and to higher restructuring and other expenses, partially offset by higher operating results. In Q3 2025, the increase was mostly due to higher operating results. In Q4 2025, the decrease was mostly due to lower revenues related to normal business seasonality and to higher performance and deferred share units expense due to an increase in the share price, partially offset by a lower loss on the fair value of derivative financial instruments and by lower income tax expense. In Q1 2026, the increase was mainly due to an unrealized gain on the fair value of derivative financial instruments, to a foreign exchange gain and to a decrease in the fair value of contingent considerations, partially offset by higher income tax expense. The decrease in Q2 2026 was mainly due to an unrealized loss on the fair value of derivative instruments and to a foreign exchange loss partially offset by higher operating results.

Note:

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

Summary of Consolidated Quarterly Results

(in thousands of Canadian dollars, except per share diluted amounts)	3 months							
	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
	FY2026	FY2026	FY2025	FY2025	FY2025	FY2025	FY2024	FY2024
Revenues by segment								
Broadcasting and Commercial								
Music	80,856	61,420	64,585	72,218	60,895	56,845	53,409	65,647
Radio	32,406	34,217	31,423	36,010	32,690	32,225	30,256	34,631
Total revenues	113,262	95,637	96,008	108,228	93,585	89,070	83,665	100,278
Revenues by geography								
Canada	51,471	49,535	46,793	54,184	48,942	49,014	45,581	51,002
United States	51,942	35,153	38,013	42,316	32,889	27,952	26,224	37,099
Other countries	9,849	10,949	11,202	11,728	11,754	12,104	11,860	12,177
Total revenues	113,262	95,637	96,008	108,228	93,585	89,070	83,665	100,278
Adjusted EBITDA⁽¹⁾	39,520	33,656	35,027	42,108	33,994	31,070	29,423	38,648
LTM Adjusted EBITDA⁽¹⁾	150,311	144,785	142,199	136,595	133,135	128,659	125,855	123,005
Net income	11,772	16,783	7,655	15,677	5,813	7,295	(46,318)	9,070
Net income per share basic	0.17	0.25	0.11	0.23	0.08	0.11	(0.67)	0.13
Net income per share diluted	0.17	0.24	0.11	0.23	0.08	0.11	(0.67)	0.13
Adjusted Net income⁽¹⁾	21,884	21,311	18,568	23,424	16,729	13,933	15,382	18,483
Adjusted Net income per share basic ⁽¹⁾	0.32	0.31	0.27	0.34	0.24	0.20	0.22	0.27
Adjusted Net income per share diluted ⁽¹⁾	0.32	0.31	0.27	0.34	0.24	0.20	0.22	0.27
Cash flow from operations	24,329	18,987	39,720	35,387	19,183	10,750	44,263	30,902
Adjusted free Cash Flow⁽¹⁾	28,396	18,797	18,411	28,636	21,103	15,462	15,624	32,146
Quarterly dividend	0.075	0.075	0.075	0.075	0.075	0.075	0.075	0.075

Notes:

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

Reconciliation of Quarterly Non-IFRS Measures

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

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

(in thousands of Canadian dollars)	3 months							
	Sept. 30, 2025	June 30, 2025	March. 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
	FY 2026	FY2026	FY2025	FY2025	FY2025	FY2025	FY2024	FY2024
Net income (loss)	11,772	16,783	7,655	15,677	5,813	7,295	(46,318)	9,070
Impairment on Goodwill	–	–	–	–	–	–	56,119	–
Net finance expense (income)	9,282	(2,754)	9,516	11,639	12,162	9,099	3,736	15,159
Change in fair value of investments	(15)	37	2	(43)	29	(42)	(106)	103
Income taxes	3,906	5,892	977	4,025	2,457	3,523	3,639	3,186
Depreciation and write-off of property and equipment	1,982	1,865	1,941	2,104	1,970	2,075	1,183	2,401
Depreciation of right-of-use assets	1,092	1,148	1,020	850	1,137	1,090	1,192	1,074
Amortization of intangible assets	4,205	4,558	5,115	5,098	4,199	4,171	4,124	4,003
Share-based compensation	177	(270)	111	62	106	130	93	121
Performance and deferred share unit expense (income)	4,214	4,132	5,640	1,942	1,763	836	4,711	2,747
Share of results of investments in associates	73	300	(210)	(288)	1,827	2,052	(354)	509
Acquisition, legal, restructuring and other expenses	2,832	1,515	4,129	1,042	2,531	841	1,404	275
Loss (gain) on disposal of an investment	–	450	(845)	–	–	–	–	–
Other income	–	–	(24)	–	–	–	–	–
Adjusted EBITDA	39,520	33,656	35,027	42,108	33,994	31,070	29,423	38,648
Adjusted EBITDA margin	34.9%	35.2%	36.5%	38.9%	36.3%	34.9%	35.2%	38.5%
Net income (loss)	11,772	16,783	7,655	15,677	5,813	7,295	(46,318)	9,070
<i>Adjusted for:</i>								
Impairment on Goodwill	–	–	–	–	–	–	56,119	–
Unrealized loss (gain) on derivative financial instruments	2,350	(4,535)	1,010	2,770	4,434	1,053	(2,252)	5,056
Amortization of intangible assets	4,205	4,558	5,115	5,098	4,199	4,171	4,124	4,003
Change in fair value of investments	(15)	37	2	(43)	29	(42)	(106)	103
Share-based compensation	177	(270)	111	62	106	130	93	121
Performance and deferred share unit expense	4,214	4,132	5,640	1,942	1,763	836	4,711	2,747
Acquisition, legal, restructuring and other expenses	2,832	1,515	4,129	1,042	2,531	841	1,404	275
Share of results of investments in associates	73	300	(210)	(288)	1,827	2,052	(354)	509
Loss (gain) on disposal of an investment	–	450	(845)	–	–	–	–	–
Other Income	–	–	(24)	–	–	–	–	–
Income taxes related to above noted adjustments	(3,724)	(1,659)	(4,015)	(2,836)	(3,973)	(2,403)	(2,039)	(3,401)
Adjusted Net income	21,884	21,311	18,568	23,424	16,729	13,933	15,382	18,483
Average number of shares outstanding (diluted)	68,628	68,758	68,807	68,742	69,022	69,209	68,811	69,068
Adjusted Net income per share diluted	0.32	0.31	0.27	0.34	0.24	0.20	0.22	0.27

(in thousands of Canadian dollars)	3 months							
	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
	FY2026	FY2026	FY2025	FY2025	FY2025	FY2025	FY2024	FY2024
LTM Adjusted EBITDA	150,311	144,785	142,199	136,595	133,135	128,659	125,855	123,005
Permanent cost-saving initiatives	489	773	1,046	1,332	1,476	2,309	2,758	4,459
Adjusted EBITDA for the months prior to the business acquisition of The Coda Collection which are not already reflected in the results	–	–	150	299	449	–	–	–
Pro Forma Adjusted EBITDA	150,800	145,558	143,395	138,226	135,060	130,968	128,613	127,464

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

(in thousands of Canadian dollars)	3 months							
	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
	FY 2026	FY2026	FY2025	FY 2025	FY 2025	FY2025	FY2024	FY2024
Cash flow from operating activities	24,329	18,987	39,720	35,387	19,183	10,750	44,263	30,902
Acquisition of property and equipment	(2,171)	(2,153)	(2,057)	(1,765)	(1,886)	(1,486)	(2,351)	(1,742)
Acquisition of intangible assets other than internally developed intangible assets	(262)	(336)	(1,183)	(848)	(205)	(444)	(355)	(256)
Addition to internally developed intangible assets	(1,307)	(1,394)	(1,371)	(1,263)	(1,268)	(1,282)	(1,148)	(1,279)
Interest paid	(4,830)	(4,955)	(5,287)	(6,159)	(6,356)	(5,979)	(6,641)	(6,620)
Repayment of lease liabilities	(1,415)	(867)	(954)	(1,025)	(1,324)	(992)	(929)	(997)
Net change in non-cash operating working capital items	9,709	9,755	(17,094)	1,076	9,848	12,833	(17,661)	9,500
Unrealized loss (gain) on foreign exchange	1,511	(1,755)	2,508	2,191	580	1,221	(958)	2,363
Acquisition, legal, restructuring and other expenses	2,832	1,515	4,129	1,042	2,531	841	1,404	275
Adjusted free cash flow	28,396	18,797	18,411	28,636	21,103	15,462	15,624	32,146
Average number of shares outstanding (diluted)	68,628	68,758	68,807	68,742	69,022	69,209	68,811	69,068
Adjusted free cash flow per share diluted (diluted)	0.41	0.27	0.27	0.42	0.31	0.22	0.23	0.47

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

(in thousands of Canadian dollars)	3 months							
	Sept. 30, 2025	June 30, 2025	March 31, 2025	Dec. 31, 2024	Sept. 30, 2024	June 30, 2024	March 31, 2024	Dec. 31, 2023
	FY 2026	FY2026	FY2025	FY 2025	FY 2025	FY2025	FY2024	FY2024
Credit facilities	336,273	337,416	341,365	370,826	350,500	345,854	338,712	362,902
Subordinated debt	–	–	–	–	25,583	25,581	25,579	25,577
Cash and cash equivalents	(15,145)	(11,495)	(13,984)	(19,253)	(8,593)	(9,184)	(9,606)	(6,991)
Net debt	321,128	325,921	327,381	351,573	367,490	362,251	354,685	381,488
Net debt to Pro Forma Adjusted EBITDA	2.13	2.24	2.28	2.54	2.72	2.77	2.76	2.99

LIQUIDITY AND CAPITAL RESOURCES FOR THE PERIODS ENDED SEPTEMBER 30, 2025 AND 2024

(in thousands of Canadian dollars)	3 months		6 months	
	Q2 2026	Q2 2025	YTD 2026	YTD 2025
Operating activities	24,329	19,183	43,316	29,933
Financing activities	(16,350)	(14,426)	(34,329)	(22,004)
Investing activities	(4,419)	(5,390)	(7,820)	(9,005)
Effect of foreign exchange difference on cash and cash equivalents	90	32	(6)	53
Net change in cash	3,650	(601)	1,161	(1,023)
Cash – beginning of period	11,495	9,184	13,984	9,606
Cash – end of period	15,145	8,583	15,145	8,583
Adjusted free cash flow⁽¹⁾	28,396	21,103	47,194	36,565

Operating Activities

Cash flow generated from operating activities amounted to \$24.3 million for Q2 2026 compared to \$19.2 million for Q2 2025. The increase was largely due to higher operating results.

Cash flow generated from operating activities amounted to \$43.3 million for cumulative Fiscal 2026 compared to \$29.9 million for cumulative Fiscal 2025. The increase was mostly due to higher operating results, to a lower negative change in non-cash operating items and to a positive foreign exchange impact.

Financing Activities

Net cash flow used in financing activities amounted to \$16.3 million for Q2 2026 compared to \$14.4 million for Q2 2025. Net cash flow used in financing activities amounted to \$34.3 million for cumulative Fiscal 2026 compared to \$22.0 million for cumulative Fiscal 2025. Both increases were mainly due to repayments of credit facility, partially offset by proceeds from the exercise of stock options.

Investing Activities

Net cash flow used in investing activities amounted to \$4.4 million for Q2 2026 compared to \$5.4 million for Q2 2025. Net cash flow used in investing activities amounted to \$7.8 million for cumulative Fiscal 2026 compared to \$9.0 million for cumulative Fiscal 2025. Both decreases were mostly due to the acquisition of The Coda Collection in the comparative period.

Adjusted free cash flow⁽¹⁾

Adjusted free cash flow generated in Q2 2026 amounted to \$28.4 million compared to \$21.1 million for Q2 2025. Adjusted free cash flow generated in cumulative Fiscal 2026 amounted to \$47.2 million compared to \$36.6 million for cumulative Fiscal 2025. Both increases were largely due to higher operating results and to lower interest paid.

Notes:

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

CONSOLIDATED FINANCIAL POSITION AND CAPITAL RESOURCES

The following table shows the main variances that have occurred in the consolidated financial position of the Corporation for the six-month period ending September 30, 2025:

(in thousands of Canadian dollars)	Sept. 30, 2025	March 31, 2025	Variance	Significant contributions
Trade and other receivables	94,723	82,574	12,149 ▲	Revenue growth
Intangible assets	49,261	53,827	(4,566) ▼	Amortization of intangible assets
Goodwill	312,335	309,690	2,645 ▲	Acquisition of The Singing Machine and foreign exchange differences
Accounts payables and accrued liabilities	105,583	84,532	21,051 ▲	Timing of payments to suppliers and operating expenses increase
Other liabilities	18,331	27,243	(8,912) ▼	Payments of CRTC tangible benefits, lower derivative financial instruments liability and lower contingent consideration liability
Credit facilities	336,273	341,365	(5,092) ▼	Refer to the graph on next page

Capital Resources

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

The credit facility consists of a \$500.0 million revolving credit facility maturing in December 2028.

The Credit facility bears interest at (a) the bank's prime rate (4.70% and 6.45% as at September 30, 2025 and 2024) plus an applicable margin based on a financial covenant or US base rate if denominated in US dollars (7.75% and 9.00% as at September 30, 2025 and 2024) plus an applicable margin based on a financial covenant, or (b) the CORRA rate (2.56% and 4.62% as at September 30, 2025 and 2024) plus an applicable margin based on a financial covenant, or (c) SOFR (4.32% and 5.35% as at September 30, 2025 and 2024) plus an applicable margin based on a financial covenant, or (d) EURIBOR rate 1.87% and 3.59% as at September 30, 2025 and 2024) plus an applicable margin based on a financial covenant, at the Corporation's option.

As of September 30, 2025, the Corporation had cash and cash equivalents of \$15.1 million and credit facility of \$336.3 million. The credit facility consists of a \$500.0 million revolving credit facility, of which \$162.1 million was available.

The following table summarizes the impact on the Net debt⁽²⁾ that occurred in the six-month period ended September 30, 2025 including related ratios:

Movement in Net debt⁽¹⁾⁽²⁾



Notes:

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

SOCAN and Re:Sound legal proceedings

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

Contractual Obligations

The Corporation is committed under the terms of contractual obligations with various expiration dates, primarily the rental of office space, financial obligations under its credit agreement, broadcast licences and commitments for copyright royalties. There have been no material changes to these obligations since March 31, 2025.

Transactions Between Related Parties

The key management personnel of the Corporation are the Chief Executive Officer, Interim Interim Interim Chief Financial Officer and certain other key employees of the Corporation. There have been no material changes to the nature or importance of the transactions between related parties since March 31, 2025.

Off-Balance Sheet Arrangements

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

Disclosure of Outstanding Share Data

Issued and outstanding shares and outstanding stock options consisted of:

	November 6, 2025	September 30, 2025
<i>Issued and outstanding shares:</i>		
Subordinate voting shares	53,822,833	53,958,416
Subordinate voting shares held in trust through employee share purchase plan	(47,637)	(43,920)
Variable subordinate voting shares	1,190,760	1,195,677
Multiple voting shares	12,941,498	12,941,498
	67,907,454	68,051,671
<i>Outstanding stock options:</i>		
Stock options	2,384,231	2,384,231

The Corporation has a stock option plan to attract and retain employees, directors, officers and consultants. The plan provides for the granting of options to purchase subordinate voting shares. Under this plan, 10% of all multiple voting shares, subordinate voting shares and variable subordinate voting shares issued and outstanding on a non-diluted basis is reserved for issuance. During the first six months of Fiscal 2026, 640,986 options were exercised, no options were cancelled nor granted to eligible employees.

Financial Risk Factors

The Corporation is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest risk). The interim consolidated financial statements and management discussion and analysis do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the annual financial statements as at March 31, 2025. The Corporation is not aware of any significant changes to the financial risk factors from those disclosed at that time.

Risk Factors

For a detailed description of risk factors associated with the Corporation, please refer to the "Risk Factors" section of the Corporation's Annual Information Form dated June 4, 2025. The Corporation is not aware of any significant changes to the Corporation's risk factors from those disclosed at that time.

Future Accounting Changes

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

Evaluation of Disclosure Controls and Procedures

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

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

As at September 30, 2025, an evaluation was carried out, under the supervision of the CEO and the CFO, of the design and operating effectiveness of the Corporation's DC&P. Based on this evaluation, the CEO and the CFO concluded that the Corporation's DC&P were appropriately designed and were operating effectively as at September 30, 2025.

As at September 30, 2025, an evaluation was carried out, under the supervision of the CEO and the CFO, of the effectiveness of the ICFR based on the 2013 COSO Framework. Based on this evaluation, they have concluded that the Corporation's ICFR were effective as at September 30, 2025.

There have been no changes in the Corporation's internal control over financial reporting that occurred during the period that have materially affected, or are likely to materially affect, the Corporation's ICFR.

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

Subsequent Events

Refer to "Additional business highlights for the second quarter and subsequent events" on page 4.

Additional Information

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

stingray.com

