

CANADIAN TIRE CORPORATION, LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Q3 2024

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Condensed Interim Consolidated Balance Sheets

As at (C\$ in millions)(unaudited)	September 28, 2024	September 30, 2023	December 30, 2023
ASSETS			
Cash and cash equivalents (Note 16)	\$ 354.0	\$ 458.9	\$ 311.2
Short-term investments	161.8	125.2	177.2
Trade and other receivables	1,353.5	1,524.3	1,151.3
Loans receivable (Note 5)	6,681.7	6,422.5	6,568.3
Merchandise inventories	3,060.3	3,360.0	2,693.7
Income taxes recoverable	22.9	78.8	125.9
Prepaid expenses and deposits	241.9	215.0	246.6
Assets classified as held for sale	13.2	3.9	18.9
Total current assets	11,889.3	12,188.6	11,293.1
Long-term receivables and other assets	705.1	669.5	645.8
Long-term investments	72.4	63.4	108.2
Goodwill and intangible assets	2,200.2	2,256.4	2,254.7
Investment property	427.3	431.4	443.7
Property and equipment	5,374.9	5,082.6	5,219.5
Right-of-use assets	2,027.1	1,930.1	1,933.8
Deferred income taxes	115.3	90.8	79.5
Total assets	\$ 22,811.6	\$ 22,712.8	\$ 21,978.3
LIABILITIES			
Deposits	\$ 1,183.2	\$ 1,037.8	\$ 1,041.7
Trade and other payables	3,262.8	2,990.4	2,689.4
Provisions	176.8	221.7	219.9
Short-term borrowings (Note 6)	595.3	1,251.8	965.7
Loans	583.1	531.5	519.9
Current portion of lease liabilities	379.0	370.6	378.5
Income taxes payable	167.6	34.8	13.4
Current portion of long-term debt	1,080.4	560.5	560.5
Total current liabilities	7,428.2	6,999.1	6,389.0
Long-term provisions	54.1	52.0	59.8
Long-term debt (Note 7)	3,875.1	3,754.8	4,404.0
Long-term deposits	2,353.6	2,211.7	2,322.6
Long-term lease liabilities	2,105.4	1,992.9	1,986.0
Deferred income taxes	157.0	138.8	182.1
Other long-term liabilities	200.8	1,062.6	190.0
Total liabilities	16,174.2	16,211.9	15,533.5
EQUITY			
Share capital (Note 8)	619.9	591.9	598.7
Contributed surplus	2.9	2.9	2.9
Accumulated other comprehensive income (loss)	(193.8)	(108.0)	(181.8)
Retained earnings	5,290.7	4,576.0	5,128.2
Equity attributable to shareholders of Canadian Tire Corporation	5,719.7	5,062.8	5,548.0
Non-controlling interests	917.7	1,438.1	896.8
Total equity	6,637.4	6,500.9	6,444.8
Total liabilities and equity	\$ 22,811.6	\$ 22,712.8	\$ 21,978.3

The related notes form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Income

For the (C\$ in millions, except share and per share amounts)(unaudited)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Revenue (Note 10)	\$ 4,192.9	\$ 4,250.5	\$ 11,850.5	\$ 12,213.5
Cost of producing revenue (Note 11)	2,761.3	2,814.0	7,761.4	8,046.7
Gross margin	1,431.6	1,436.5	4,089.1	4,166.8
Other expense (income)	(35.4)	(126.8)	(48.8)	31.2
Selling, general and administrative expenses (Note 12)	892.9	891.7	2,585.6	2,692.2
Depreciation and amortization (Note 13)	189.5	194.0	570.0	574.9
Net finance costs (income) (Note 14)	85.3	80.3	265.4	230.7
Change in fair value of redeemable financial instrument (Note 17)	—	328.0	—	328.0
Income before income taxes	299.3	69.3	716.9	309.8
Income tax expense (recovery)	78.6	97.1	176.7	167.9
Net income (loss)	\$ 220.7	\$ (27.8)	\$ 540.2	\$ 141.9
Net income (loss) attributable to:				
Shareholders of Canadian Tire Corporation	\$ 200.6	\$ (66.4)	\$ 476.2	\$ 40.8
Non-controlling interests	20.1	38.6	64.0	101.1
	\$ 220.7	\$ (27.8)	\$ 540.2	\$ 141.9
Basic earnings (loss) per share	\$ 3.61	\$ (1.19)	\$ 8.56	\$ 0.72
Diluted earnings (loss) per share	\$ 3.59	\$ (1.19)	\$ 8.54	\$ 0.72
Weighted average number of Common and Class A Non-Voting Shares outstanding:				
Basic	55,623,630	55,766,255	55,626,217	56,430,392
Diluted	55,814,516	55,766,255	55,770,562	56,677,046

The related notes form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Comprehensive Income

For the (C\$ in millions)(unaudited)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net income (loss)	\$ 220.7	\$ (27.8)	\$ 540.2	\$ 141.9
Other comprehensive income (loss), net of taxes				
Items that may be reclassified subsequently to Net income (loss):				
Net fair value gains (losses) on hedging instruments entered into for cash flow hedges not subject to basis adjustment	11.5	13.6	9.2	19.2
Deferred cost of hedging not subject to basis adjustment – Changes in fair value of the time value of an option in relation to time-period-related hedged items	(28.0)	26.5	(7.3)	28.1
Reclassification of losses (gains) to income	(1.5)	0.4	(7.1)	1.4
Currency translation adjustment	7.9	21.9	(4.2)	(73.0)
Items that will not be reclassified subsequently to Net income (loss):				
Net fair value gains (losses) on hedging instruments entered into for cash flow hedges subject to basis adjustment	(22.9)	75.7	46.0	37.9
Other comprehensive income (loss)	\$ (33.0)	\$ 138.1	\$ 36.6	\$ 13.6
Other comprehensive income (loss) attributable to:				
Shareholders of Canadian Tire Corporation	\$ (33.0)	\$ 130.0	\$ 36.6	\$ 3.9
Non-controlling interests	—	8.1	—	9.7
	\$ (33.0)	\$ 138.1	\$ 36.6	\$ 13.6
Comprehensive income (loss)	\$ 187.7	\$ 110.3	\$ 576.8	\$ 155.5
Comprehensive income (loss) attributable to:				
Shareholders of Canadian Tire Corporation	\$ 167.6	\$ 63.6	\$ 512.8	\$ 44.7
Non-controlling interests	20.1	46.7	64.0	110.8
	\$ 187.7	\$ 110.3	\$ 576.8	\$ 155.5

The related notes form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Cash Flows

For the (C\$ in millions)(unaudited)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Cash generated from (used for):				
Operating activities				
Net income (loss)	\$ 220.7	\$ (27.8)	\$ 540.2	\$ 141.9
Adjustments for:				
Depreciation of property and equipment, investment property, and right-of-use assets	166.0	169.2	498.7	504.6
Impairment on property and equipment, investment property, and right-of-use assets	—	2.1	5.1	2.1
Income taxes	78.6	97.1	176.7	167.9
Net finance costs (Note 14)	85.3	80.3	265.4	230.7
Amortization of intangible assets (Note 13)	28.9	31.4	89.1	94.4
Loss (gain) on disposal of property and equipment, investment property, assets held for sale and right-of-use assets	(21.3)	(0.2)	(36.0)	(1.5)
Change in fair value of redeemable financial instrument (Note 17)	—	328.0	—	328.0
Non-cash charge related to fire at A.J. Billes Distribution Centre	—	0.5	—	54.8
Total except as noted below	558.2	680.6	1,539.2	1,522.9
Interest paid	(118.6)	(128.2)	(332.3)	(302.1)
Interest received	9.3	13.9	34.2	29.0
Income taxes paid (received)	81.7	(17.0)	23.0	(172.5)
Change in loans receivable	(130.0)	(9.8)	(127.0)	(99.9)
Change in operating working capital and other	(168.1)	(568.0)	51.4	(493.6)
Cash generated from (used for) operating activities	232.5	(28.5)	1,188.5	483.8
Investing activities				
Additions to property and equipment and investment property	(201.4)	(169.3)	(447.2)	(322.9)
Additions to intangible assets	(15.0)	(19.3)	(43.0)	(73.7)
Total additions	(216.4)	(188.6)	(490.2)	(396.6)
Acquisition of short-term investments	(33.7)	(56.5)	(129.4)	(121.0)
Proceeds from maturity and disposition of short-term investments	34.8	109.7	184.2	172.9
Proceeds on disposition of property and equipment, investment property, and assets held for sale	21.3	—	59.2	—
Lease payments received for finance subleases (principal portion)	2.6	4.5	11.6	15.3
Acquisition of long-term investments and other	(7.8)	(1.0)	(8.1)	(7.0)
Change in Franchise Trust loans receivable	32.4	(29.8)	(63.1)	(58.4)
Cash generated from (used for) investing activities	(166.8)	(161.7)	(435.8)	(394.8)
Financing activities				
Dividends paid	(89.8)	(88.8)	(268.9)	(272.1)
Distributions paid to non-controlling interests	(17.4)	(29.6)	(51.5)	(103.5)
Net issuance (repayment) of short-term borrowings	44.5	225.6	(370.4)	675.6
Issuance of loans	15.4	95.7	191.6	238.6
Repayment of loans	(47.8)	(65.9)	(128.5)	(180.1)
Issuance of long-term debt	—	1,100.0	550.0	1,100.0
Repayment of long-term debt	(0.1)	(984.1)	(560.3)	(1,040.0)
Payment of lease liabilities (principal portion)	(65.2)	(99.7)	(256.6)	(332.2)
Payment of transaction costs relating to long-term debt	(0.6)	(4.2)	(2.0)	(4.2)
Purchase of Class A Non-Voting Shares	(7.8)	(51.1)	(23.2)	(368.5)
Net receipts (payments) on financial instruments	4.2	45.5	41.5	50.0
Change in deposits	(2.3)	72.9	168.4	280.0
Cash generated from (used for) financing activities	(166.9)	216.3	(709.9)	43.6
Cash generated (used) in the period	(101.2)	26.1	42.8	132.6
Cash and cash equivalents, net of bank indebtedness, beginning of period	455.2	432.8	311.2	326.3
Cash and cash equivalents, end of period	\$ 354.0	\$ 458.9	\$ 354.0	\$ 458.9

The related notes form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statements of Changes in Equity

(C\$ in millions)(unaudited)	Total accumulated other comprehensive income (loss)					Retained earnings	Equity attributable to shareholders of Canadian Tire Corporation	Equity attributable to non-controlling interests	Total equity
	Share capital	Contributed surplus	Cash flow hedges	Currency translation adjustment	Total accumulated other comprehensive income (loss)				
Balance at December 30, 2023	\$ 598.7	\$ 2.9	\$ 44.6	\$ (226.4)	\$ (181.8)	\$ 5,128.2	\$ 5,548.0	\$ 896.8	\$ 6,444.8
Net income (loss)	—	—	—	—	—	476.2	476.2	64.0	540.2
Other comprehensive income (loss)	—	—	40.8	(4.2)	36.6	—	36.6	—	36.6
Total comprehensive income (loss)	—	—	40.8	(4.2)	36.6	476.2	512.8	64.0	576.8
Transfers of cash flow hedge losses (gains) to non-financial assets	—	—	(48.6)	—	(48.6)	—	(48.6)	—	(48.6)
Contributions and distributions to shareholders of Canadian Tire Corporation									
Issuance of Class A Non-Voting Shares (Note 8)	23.1	—	—	—	—	—	23.1	—	23.1
Purchase of Class A Non-Voting Shares (Note 8)	(23.2)	—	—	—	—	—	(23.2)	—	(23.2)
Excess of purchase price over average cost (Note 8)	21.3	—	—	—	—	(21.3)	—	—	—
Dividends	—	—	—	—	—	(292.4)	(292.4)	—	(292.4)
Contributions and distributions to non-controlling interests									
Issuance of trust units to non-controlling interests, net of transaction costs	—	—	—	—	—	—	—	8.4	8.4
Distributions and dividends to non-controlling interests	—	—	—	—	—	—	—	(51.5)	(51.5)
Total contributions and distributions	21.2	—	(48.6)	—	(48.6)	(313.7)	(341.1)	(43.1)	(384.2)
Balance at September 28, 2024	\$ 619.9	\$ 2.9	\$ 36.8	\$ (230.6)	\$ (193.8)	\$ 5,290.7	\$ 5,719.7	\$ 917.7	\$ 6,637.4

(C\$ in millions)(unaudited)	Total accumulated other comprehensive income (loss)					Retained earnings	Equity attributable to shareholders of Canadian Tire Corporation	Equity attributable to non-controlling interests	Total equity
	Share capital	Contributed surplus	Cash flow hedges	Currency translation adjustment	Total accumulated other comprehensive income (loss)				
Balance at December 31, 2022	\$ 587.8	\$ 2.9	\$ 132.9	\$ (175.3)	\$ (42.4)	\$ 5,070.2	\$ 5,618.5	\$ 1,420.7	\$ 7,039.2
Net income (loss)	—	—	—	—	—	40.8	40.8	101.1	141.9
Other comprehensive income (loss)	—	—	76.9	(73.0)	3.9	—	3.9	9.7	13.6
Total comprehensive income (loss)	—	—	76.9	(73.0)	3.9	40.8	44.7	110.8	155.5
Transfers of cash flow hedge losses (gains) to non-financial assets	—	—	(69.5)	—	(69.5)	—	(69.5)	—	(69.5)
Contributions and distributions to shareholders of Canadian Tire Corporation									
Issuance of Class A Non-Voting Shares (Note 8)	20.4	—	—	—	—	—	20.4	—	20.4
Purchase of Class A Non-Voting Shares (Note 8)	(368.5)	—	—	—	—	—	(368.5)	—	(368.5)
Change in automatic share purchase plan commitment (Note 8)	8.1	—	—	—	—	98.6	106.7	—	106.7
Excess of purchase price over average cost (Note 8)	344.1	—	—	—	—	(344.1)	—	—	—
Dividends	—	—	—	—	—	(289.5)	(289.5)	—	(289.5)
Contributions and distributions to non-controlling interests									
Issuance of trust units to non-controlling interests, net of transaction costs	—	—	—	—	—	—	—	10.1	10.1
Distributions and dividends to non-controlling interests	—	—	—	—	—	—	—	(103.5)	(103.5)
Total contributions and distributions	4.1	—	(69.5)	—	(69.5)	(535.0)	(600.4)	(93.4)	(693.8)
Balance at September 30, 2023	\$ 591.9	\$ 2.9	\$ 140.3	\$ (248.3)	\$ (108.0)	\$ 4,576.0	\$ 5,062.8	\$ 1,438.1	\$ 6,500.9

The related notes form an integral part of these condensed interim consolidated financial statements.

1. The Company and its Operations

Canadian Tire Corporation, Limited is a Canadian public company primarily domiciled in Canada. Its registered office is 2180 Yonge Street, Toronto, Ontario, M4P 2V8, Canada. It is listed on the Toronto Stock Exchange (TSX – CTC, CTC.A). Canadian Tire Corporation, Limited and entities it controls are together referred to in these condensed interim consolidated financial statements as the “Company”, “CTC” or “Canadian Tire Corporation”.

The Company comprises three main business operations, which offer a wide range of retail goods and services, including general merchandise, apparel, sporting goods, petroleum, financial services including a bank, and real estate operations. Details of the Company’s three reportable operating segments are provided in Note 4.

Quarterly net income and revenue are affected by seasonality. The fourth quarter typically generates the greatest contribution to revenue and earnings and the first quarter the least.

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2. Basis of Preparation

Statement of Compliance

These condensed interim consolidated financial statements (interim financial statements) for the 13 and 39 weeks ended September 28, 2024 (and comparative results for the 13 and 39 weeks ended September 30, 2023) have been prepared in accordance with International Accounting Standard (IAS) 34 – *Interim Financial Reporting* and therefore do not contain all disclosures required by International Financial Reporting Standards (IFRS) for annual financial statements. These interim financial statements should be read in conjunction with the Company’s 2023 Consolidated Financial Statements and Notes and have been prepared using the same accounting policies described in Note 3 to the 2023 Consolidated Financial Statements and Notes.

These interim financial statements were authorized for issuance by the Company’s Board of Directors on November 6, 2024.

Basis of Presentation

These interim financial statements have been prepared on a historical cost basis, except for the following items, which are measured at fair value:

- Financial Instruments at Fair Value Through Profit or Loss (FVTPL);
- Financial Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Derivative financial instruments;
- Liabilities for share-based payment plans; and
- Initial recognition of assets acquired and liabilities assumed in a business combination.

In addition, the post-employment defined benefit obligation is recorded at its discounted present value.

Functional and Presentation Currency

These interim financial statements are presented in Canadian dollars (\$ or C\$), the Company’s functional currency. Each of the Company’s foreign subsidiaries determines its own functional currency and items included in the interim financial statements of each foreign subsidiary are measured using that functional currency. Assets and liabilities of foreign operations having a functional currency other than the Canadian dollar are translated at the rate of exchange prevailing at the reporting date, and revenues and expenses at average rates during the period. Gains or losses on translation are accumulated as a component of equity. On the disposal of a foreign operation, or the loss of control, the component of Accumulated Other Comprehensive Income (AOCI) relating to that foreign operation is reclassified to net income.

Judgments and Estimates

The preparation of these interim financial statements in accordance with IAS 34 requires Management to make judgments and estimates that affect:

- The application of accounting policies;
- The reported amounts of assets and liabilities;
- Disclosures of contingent assets and liabilities; and
- The amounts of revenue and expenses recognized during the reporting periods.

Actual results may differ from estimates made in these interim financial statements.

Judgments are made in the selection and assessment of the Company's accounting policies. Estimates are used mainly in determining the measurement of recognized transactions and balances. Estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Judgments and estimates are often interrelated. The Company's judgments and estimates are continually re-evaluated to assess whether they remain appropriate. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The duration and long-term effects on CTC from macroeconomic conditions remain uncertain and Management continues to monitor and assess the impact on the business and on certain judgments and estimates, including the recoverable amount of goodwill and intangible assets.

Details of the accounting policies subject to judgments and estimates that the Company believes could have the most significant impact on the amounts recognized in these interim financial statements are described in Note 2 to the Company's 2023 Consolidated Financial Statements and Notes.

Standards, Amendments and Interpretations Issued and Adopted

Lease Liability in a Sale and Leaseback

In September 2022, the International Accounting Standards Board (IASB) issued amendments to IFRS 16 – *Leases* (IFRS 16) relating to sale leaseback transactions for seller-lessees. The amendment adds a requirement that measuring lease payments or revised lease payments shall not result in the recognition of a gain or loss that relates to the right-of-use asset retained by the seller-lessee. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The Company adopted these amendments this year and determined there to be no material impact on the consolidated financial statements.

Non-current Liabilities with Covenants

In October 2022, the IASB issued amendments to IAS 1 – *Presentation of Financial Statements*, which specifies that covenants whose compliance is assessed after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require disclosure of information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The Company adopted these amendments this year and determined there to be no material impact on the consolidated financial statements.

Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 – *Statement of Cash Flows* and IFRS 7 – *Financial Instruments: Disclosures*. The amendments add requirements to disclose information that allows users to assess how supplier finance arrangements affect an entity's liabilities, cash flows, and exposure to liquidity risk. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. The Company adopted these amendments in the current year and determined there to be no material impact on the consolidated financial statements.

Standards, Amendments and Interpretations Issued but not yet Adopted

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal year ending December 28, 2024 and, accordingly, have not been applied in preparing these interim financial statements.

Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates* in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency and in determining the exchange rate to use and the disclosures to provide when it cannot. These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with early adoption permitted. The Company assessed the impact of the amendments and determined there to be no material impact on the consolidated financial statements.

Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 – *Financial Instruments* and IFRS 7 – *Financial Instruments: Disclosures*. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at FVOCI and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the consolidated financial statements.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS 18 – *Presentation and Disclosure in Financial Statements* that will replace IAS 1 – *Presentation of Financial Statements*. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures (MPMs) in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the consolidated financial statements.

Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19 – *Subsidiaries without Public Accountability: Disclosures*. The new standard allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company assessed the impact of the amendments and determined there to be no material impact on the consolidated financial statements. The Company is assessing the impact to its subsidiaries.

3. Capital Management

The Company's capital management objectives are as follows:

- Ensuring sufficient liquidity to meet its financial obligations when due and executing its operating and strategic plans;
- Maintaining healthy liquidity reserves with the ability to access additional capital from multiple sources, if required; and
- Minimizing its after-tax cost of capital while taking into consideration the key risks outlined in section 10.0 of the MD&A including current and future industry, market, and economic risks and conditions.

To achieve these objectives, the Company manages its capital structure over the long term, striking a balance among capital efficiency, financial flexibility, and risk mitigation. Management calculates ratios to approximate the methodologies of credit-rating agencies and other market participants on a current and prospective basis. To assess its effectiveness in managing capital, Management monitors these ratios against target ranges.

As of September 28, 2024, Canadian Tire Corporation, Limited was compliant with all financial covenants under its bank credit agreements, providing sufficient flexibility to support business growth. Similarly, Helly Hansen was compliant with all financial covenants under its bank credit agreement.

CT Real Estate Investment Trust (CT REIT) was also compliant with the financial covenants established under its Declaration of Trust, Trust Indenture and bank credit agreement as of September 28, 2024.

In addition, the Company is required to comply with regulatory requirements for capital associated with the operations of Canadian Tire Bank (CTB), a federally chartered bank, and other regulatory requirements that have an impact on its business operations and certain covenants established under its bank credit agreements. As of September 28, 2024, CTB complied with all regulatory capital guidelines established by the Office of the Superintendent of Financial Institutions of Canada and all financial covenants under its bank credit agreements.

4. Operating Segments

The Company has three reportable operating segments: Retail, Financial Services, and CT REIT. The reportable operating segments are strategic business units offering different products and services. They are separately managed due to their distinct nature. The following summary describes the operations of each of the Company's reportable segments:

- The retail business is conducted under a number of banners including Canadian Tire, Canadian Tire Gas+ (Petroleum), Mark's, PartSource, Helly Hansen, Party City in Canada, and various SportChek banners. Retail also includes the Dealer Loan Program (the portion [silo] of Franchise Trust that issues loans to certain Dealers). Non-CT REIT real estate is included in Retail.
- Financial Services issues Canadian Tire's Triangle brand credit cards, including Triangle Mastercard and Triangle World Elite Mastercard. Financial Services also offers Cash Advantage Mastercard and Gas Advantage Mastercard products, markets insurance products, and provides settlement services to the Company's affiliates. Financial Services includes CTB, a federally regulated Schedule I bank that manages and finances the Company's consumer Mastercard portfolio, as well as an existing block of Canadian Tire branded line of credit loans. CTB also offers High-Interest Savings account deposits, Tax-Free Savings Accounts and Guaranteed Investment Certificates (GICs) deposits, both directly and through third-party brokers. Financial Services also includes Glacier Credit Card Trust (GCCT), a structured entity established to purchase co-ownership interests in the Company's credit card loans receivable, and CTFS Bermuda Ltd., a Bermuda reinsurance company. GCCT issues debt to third-party investors to fund its purchases.
- CT REIT is an unincorporated, closed-end real estate investment trust. CT REIT holds a geographically-diversified portfolio of properties in Canada, mainly comprising Canadian Tire banner stores, Canadian Tire anchored retail developments, mixed-use commercial property, and industrial properties.

Performance is measured based on segment income before income taxes, as included in internal management reports. Management has determined that this measure is the most relevant in evaluating segment results and allocating resources. Information regarding the results of each reportable operating segment is as follows:

For the (C\$ in millions)	13 weeks ended									
	September 28, 2024					September 30, 2023				
	Financial Retail	Financial Services	CT REIT	Eliminations and adjustments	Total	Retail	Financial Services	CT REIT	Eliminations and adjustments	Total
External revenue	\$ 3,796.7	\$ 385.8	\$ 14.9	\$ (4.5)	\$ 4,192.9	\$ 3,866.3	\$ 380.1	\$ 14.6	\$ (10.5)	\$ 4,250.5
Intercompany revenue	1.1	13.3	129.7	(144.1)	—	1.0	13.0	122.9	(136.9)	—
Total revenue	3,797.8	399.1	144.6	(148.6)	4,192.9	3,867.3	393.1	137.5	(147.4)	4,250.5
Cost of producing revenue	2,583.0	201.4	—	(23.1)	2,761.3	2,660.3	182.2	—	(28.5)	2,814.0
Gross margin	1,214.8	197.7	144.6	(125.5)	1,431.6	1,207.0	210.9	137.5	(118.9)	1,436.5
Other expense (income)	(70.3)	0.7	—	34.2	(35.4)	(164.9)	1.8	—	36.3	(126.8)
Selling, general and administrative expenses	812.5	88.7	37.1	(45.4)	892.9	818.2	84.5	31.2	(42.2)	891.7
Depreciation and amortization	237.1	2.0	—	(49.6)	189.5	244.7	2.2	—	(52.9)	194.0
Net finance costs (income)	70.7	(4.0)	30.7	(12.1)	85.3	70.0	(3.3)	28.3	(14.7)	80.3
Change in fair value of redeemable financial instrument	—	—	—	—	—	—	—	—	328.0	328.0
Fair value loss (gain) on investment properties	—	—	(17.7)	17.7	—	—	—	66.7	(66.7)	—
Income (loss) before income taxes	\$ 164.8	\$ 110.3	\$ 94.5	\$ (70.3)	\$ 299.3	\$ 239.0	\$ 125.7	\$ 11.3	\$ (306.7)	\$ 69.3
Items included in the above:										
Interest income	30.2	343.1	0.3	(17.3)	356.3	26.8	334.3	0.1	(16.4)	344.8
Interest expense	91.7	58.2	31.0	(49.5)	131.4	88.4	56.8	28.4	(50.8)	122.8

For the (C\$ in millions)	39 weeks ended									
	September 28, 2024					September 30, 2023				
	Financial Retail	Financial Services	CT REIT	Eliminations and adjustments	Total	Retail	Financial Services	CT REIT	Eliminations and adjustments	Total
External revenue	\$10,686.0	\$1,135.1	\$ 45.9	\$ (16.5)	\$11,850.5	\$11,098.2	\$1,091.6	\$ 43.5	\$ (19.8)	\$12,213.5
Intercompany revenue	3.2	36.2	387.4	(426.8)	—	3.1	35.8	369.3	(408.2)	—
Total revenue	10,689.2	1,171.3	433.3	(443.3)	11,850.5	11,101.3	1,127.4	412.8	(428.0)	12,213.5
Cost of producing revenue	7,227.5	604.8	—	(70.9)	7,761.4	7,593.4	525.7	—	(72.4)	8,046.7
Gross margin	3,461.7	566.5	433.3	(372.4)	4,089.1	3,507.9	601.7	412.8	(355.6)	4,166.8
Other expense (income)	(142.3)	(2.3)	—	95.8	(48.8)	(79.5)	4.1	—	106.6	31.2
Selling, general and administrative expenses	2,329.6	281.0	108.1	(133.1)	2,585.6	2,421.7	298.5	97.8	(125.8)	2,692.2
Depreciation and amortization	711.5	6.8	—	(148.3)	570.0	722.6	7.4	—	(155.1)	574.9
Net finance costs (income)	227.4	(13.5)	90.6	(39.1)	265.4	197.8	(8.1)	84.5	(43.5)	230.7
Change in fair value of redeemable financial instrument	—	—	—	—	—	—	—	—	328.0	328.0
Fair value loss (gain) on investment properties	—	—	(64.3)	64.3	—	—	—	39.3	(39.3)	—
Income (loss) before income taxes	\$ 335.5	\$ 294.5	\$ 298.9	\$ (212.0)	\$ 716.9	\$ 245.3	\$ 299.8	\$ 191.2	\$ (426.5)	\$ 309.8
Items included in the above:										
Interest income	89.9	1,005.8	1.4	(53.9)	1,043.2	82.8	946.5	0.2	(53.8)	975.7
Interest expense	289.7	173.1	92.0	(152.1)	402.7	257.4	148.3	84.7	(154.1)	336.3

Transactions among reportable operating segments are carried out at arm's length prices. The eliminations and adjustments include the following items:

- Reclassifications of certain revenues and costs in the Financial Services segment to Net finance costs (income);
- Conversion from CT REIT's fair value investment property measurement policy to the Company's cost model, including the recording of depreciation and impairment; and
- Intersegment eliminations and adjustments including intercompany rent, property management fees, credit card processing fees and the change in fair value of the redeemable financial instrument.

While the Company primarily operates in Canada, it also operates in foreign jurisdictions predominantly through Helly Hansen. Foreign revenue earned by Helly Hansen for the 13 and 39 weeks ended September 28, 2024 amounted to \$188.4 million (September 30, 2023 – \$199.1 million) and \$496.8 million (September 30, 2023 – \$520.2 million), respectively. Property and equipment, intangible assets (brand and goodwill) and right-of-use assets located outside Canada was \$906.7 million as at September 28, 2024 (September 30, 2023 – \$922.1 million).

Capital expenditures by reportable operating segment are as follows:

For the (C\$ in millions)	13 weeks ended							
	September 28, 2024				September 30, 2023			
	Retail	Financial Services	CT REIT	Total	Retail	Financial Services	CT REIT	Total
Capital expenditures ¹	\$ 126.5	\$ 0.6	\$ 68.0	\$ 195.1	\$ 154.6	\$ 0.5	\$ 21.3	\$ 176.4

¹ Capital expenditures are presented on an accrual basis and include software additions, but exclude right-of-use asset additions, acquisitions relating to business combinations and intellectual property additions.

For the (C\$ in millions)	39 weeks ended							
	September 28, 2024				September 30, 2023			
	Retail	Financial Services	CT REIT	Total	Retail	Financial Services	CT REIT	Total
Capital expenditures ¹	\$ 371.7	\$ 3.9	\$ 82.0	\$ 457.6	\$ 389.7	\$ 3.4	\$ 42.7	\$ 435.8

¹ Capital expenditures are presented on an accrual basis and include software additions, but exclude right-of-use asset additions, acquisitions relating to business combinations and intellectual property additions.

Right-of-use asset additions by reportable operating segment are as follows:

For the (C\$ in millions)	13 weeks ended							
	September 28, 2024				September 30, 2023			
	Retail	Financial Services	CT REIT	Total	Retail	Financial Services	CT REIT	Total
Right-of-use asset additions	\$ 189.0	\$ —	\$ —	\$ 189.0	\$ 164.5	\$ —	\$ —	\$ 164.5

For the (C\$ in millions)	39 weeks ended							
	September 28, 2024				September 30, 2023			
	Retail	Financial Services	CT REIT	Total	Retail	Financial Services	CT REIT	Total
Right-of-use asset additions	\$ 374.0	\$ —	\$ —	\$ 374.0	\$ 286.2	\$ —	\$ 0.3	\$ 286.5

Total assets by reportable operating segment are as follows:

(C\$ in millions)			
As at	September 28, 2024	September 30, 2023	December 30, 2023
Retail	\$ 18,429.3	\$ 18,057.4	\$ 17,883.7
Financial Services	7,424.6	7,202.6	7,289.6
CT REIT	7,096.9	6,957.0	6,966.3
Eliminations and adjustments	(10,139.2)	(9,504.2)	(10,161.3)
Total assets¹	\$ 22,811.6	\$ 22,712.8	\$ 21,978.3

¹ The Company employs a shared-services model for several of its back-office functions including finance, information technology, human resources, and legal. As a result, expenses relating to these functions are allocated on a systematic and rational basis to the reportable operating segments. The associated assets and liabilities are not allocated among segments in the presented measures of segmented assets and liabilities.

Total liabilities by reportable operating segment are as follows:

(C\$ in millions)			
As at	September 28, 2024	September 30, 2023	December 30, 2023
Retail	\$ 11,287.5	\$ 10,987.0	\$ 10,828.4
Financial Services	6,303.2	6,035.3	6,165.3
CT REIT	3,102.5	3,086.9	3,118.5
Eliminations and adjustments	(4,519.0)	(3,897.3)	(4,578.7)
Total liabilities¹	\$ 16,174.2	\$ 16,211.9	\$ 15,533.5

¹ The Company employs a shared-services model for several of its back-office functions including finance, information technology, human resources, and legal. As a result, expenses relating to these functions are allocated on a systematic and rational basis to the reportable operating segments. The associated assets and liabilities are not allocated among segments in the presented measures of segmented assets and liabilities.

The eliminations and adjustments include the following items:

- Conversion from CT REIT's fair value investment property valuation policy to the Company's cost model, including the recording of depreciation; and
- Intersegment eliminations.

5. Loans Receivable

Quantitative information about the Company's loans receivable portfolio is as follows:

(C\$ in millions)	Total principal amount of receivables ¹		
As at	September 28, 2024	September 30, 2023	December 30, 2023
Credit card loans ²	\$ 6,622.5	\$ 6,306.2	\$ 6,495.6
Dealer and other loans ³	585.1	533.1	521.9
Total loans receivable	7,207.6	6,839.3	7,017.5
Less: long-term portion ⁴	525.9	416.8	449.2
Current portion of loans receivable	\$ 6,681.7	\$ 6,422.5	\$ 6,568.3

¹ Amounts shown are net of allowances for loans receivable.

² Includes line of credit loans.

³ Dealer loans of \$583.3 million (September 30, 2023 – \$531.5 million and December 30, 2023 – \$520.2 million) relate to loans issued by Franchise Trust.

⁴ The long-term portion of loans receivable is included in Long-term receivables and other assets and includes Dealer loans of \$524.1 million (September 30, 2023 – \$415.2 million and December 30, 2023 – \$447.4 million).

A continuity of the Company's allowances for credit card loans receivable (Expected Credit Losses [ECL]) is as follows:

	2024			
(C\$ in millions)	12-month ECL (Stage 1)	Lifetime ECL – not credit-impaired (Stage 2)	Lifetime ECL – credit-impaired (Stage 3)	Total
Balance at December 30, 2023	\$ 362.1	\$ 234.8	\$ 329.4	\$ 926.3
Increase (decrease) during the period				
Write-offs	(9.9)	(42.2)	(425.8)	(477.9)
Recoveries	—	—	77.1	77.1
New loans originated	21.1	—	—	21.1
Transfers				
to Stage 1	87.1	(61.4)	(25.7)	—
to Stage 2	(33.6)	39.0	(5.4)	—
to Stage 3	(25.3)	(60.0)	85.3	—
Net remeasurements	(46.1)	107.2	317.1	378.2
Balance at September 28, 2024	\$ 355.4	\$ 217.4	\$ 352.0	\$ 924.8

	2023			
(C\$ in millions)	12-month ECL (Stage 1)	Lifetime ECL – not credit-impaired (Stage 2)	Lifetime ECL – credit-impaired (Stage 3)	Total
Balance at December 31, 2022	\$ 423.9	\$ 197.4	\$ 275.8	\$ 897.1
Increase (decrease) during the period				
Write-offs	(8.6)	(27.3)	(364.4)	(400.3)
Recoveries	—	—	69.7	69.7
New loans originated	15.9	—	—	15.9
Transfers				
to Stage 1	65.0	(38.6)	(26.4)	—
to Stage 2	(23.7)	27.7	(4.0)	—
to Stage 3	(23.8)	(35.0)	58.8	—
Net remeasurements	(43.5)	79.5	294.0	330.0
Balance at September 30, 2023	\$ 405.2	\$ 203.7	\$ 303.5	\$ 912.4

Credit card loans are considered impaired when a payment is over 90 days past due or there is sufficient doubt regarding the collectability of the outstanding balance. No collateral is held against credit card loans. The Bank continues to seek recovery of amounts that were written off during the period, unless the Bank no longer has the right to collect, the receivable has been sold to a third party, or all reasonable efforts to collect have been exhausted.

The following table sets out information about the credit risk exposure of credit card loans receivable:

(C\$ in millions)	September 28, 2024			
	Stage 1	Stage 2	Stage 3	Total
Low risk	\$ 3,509.9	\$ 31.3	\$ —	\$ 3,541.2
Moderate risk	1,933.3	101.2	—	2,034.5
High risk	895.4	407.3	668.9	1,971.6
Total gross carrying amount	6,338.6	539.8	668.9	7,547.3
ECL allowance	355.4	217.4	352.0	924.8
Net carrying amount	\$ 5,983.2	\$ 322.4	\$ 316.9	\$ 6,622.5

(C\$ in millions)	September 30, 2023			
	Stage 1	Stage 2	Stage 3	Total
Low risk	\$ 3,017.1	\$ 59.1	\$ —	\$ 3,076.2
Moderate risk	2,183.7	109.7	—	2,293.4
High risk	951.0	305.6	592.4	1,849.0
Total gross carrying amount	6,151.8	474.4	592.4	7,218.6
ECL allowance	405.2	203.7	303.5	912.4
Net carrying amount	\$ 5,746.6	\$ 270.7	\$ 288.9	\$ 6,306.2

(C\$ in millions)	December 30, 2023			
	Stage 1	Stage 2	Stage 3	Total
Low risk	\$ 3,615.3	\$ 28.5	\$ —	\$ 3,643.8
Moderate risk	1,717.5	98.5	—	1,816.0
High risk	924.3	402.4	635.4	1,962.1
Total gross carrying amount	6,257.1	529.4	635.4	7,421.9
ECL allowance	362.1	234.8	329.4	926.3
Net carrying amount	\$ 5,895.0	\$ 294.6	\$ 306.0	\$ 6,495.6

During the 13 and 39 weeks ended September 28, 2024, the amount of cash received from interest earned on credit cards and loans was \$311.8 million (September 30, 2023 – \$295.1 million) and \$916.8 million (September 30, 2023 – \$863.7 million), respectively.

6. Short-Term Borrowings

As of September 28, 2024, the Company's short-term borrowings were comprised of:

- \$24.0 million under its committed bank lines of credit;
- \$392.9 million Canadian dollar equivalent of U.S. commercial paper;
- \$178.4 million of GCCT asset-backed commercial paper notes; and
- A nominal amount owing under its note purchase facility.

7. Long-Term Debt

On June 6, 2024, GCCT repaid \$560.0 million of Series 2019-1 asset-backed term notes consisting of \$523.6 million of senior term notes, which bore an interest rate of 2.28 percent per annum, as well as \$36.4 million of subordinated term notes, which bore an interest rate of 3.43 percent per annum.

On June 18, 2024, GCCT issued \$550.0 million of Series 2024-1 asset-backed term notes that have an expected repayment date of September 20, 2026, consisting of \$514.25 million of senior term notes bearing an interest rate of 4.74 percent per annum and \$35.75 million of subordinated term notes bearing an interest rate of 5.588 percent per annum.

8. Share Capital

Share capital consists of the following:

(C\$ in millions)

As at	September 28, 2024	September 30, 2023	December 30, 2023
Authorized			
3,423,366 Common Shares			
100,000,000 Class A Non-Voting Shares			
Issued			
3,423,366 Common Shares (September 30, 2023 – 3,423,366; December 30, 2023 – 3,423,366)	\$ 0.2	\$ 0.2	\$ 0.2
52,197,823 Class A Non-Voting Shares (September 30, 2023 – 52,197,823; December 30, 2023 – 52,197,823)	619.7	591.7	598.5
	\$ 619.9	\$ 591.9	\$ 598.7

All issued shares are fully paid. The Company does not hold any of its Common or Class A Non-Voting Shares. Neither the Common nor Class A Non-Voting Shares have a par value.

During the first three quarters of 2024 and fiscal 2023, the Company issued and repurchased Class A Non-Voting Shares. The Company's share repurchases were made pursuant to its Normal-Course Issuer Bid (NCIB) program, in connection with its anti-dilutive policy and, in fiscal 2023, the announced 2022-23 share repurchase intention.

During the first quarter of 2024, the Toronto Stock Exchange accepted the Company's notice of intention to make an NCIB to repurchase up to 4.9 million Class A Non-Voting Shares during the period March 2, 2024 to March 1, 2025.

The following transactions occurred with respect to the Class A Non-Voting Shares:

For the	13 Weeks Ended				39 Weeks Ended			
	September 28, 2024		September 30, 2023		September 28, 2024		September 30, 2023	
(C\$ in millions)	Number	\$	Number	\$	Number	\$	Number	\$
Shares outstanding at beginning of the period	52,197,823	\$ 612.8	52,493,324	\$ 586.3	52,197,823	\$ 598.5	54,276,998	\$ 587.6
Issued under the dividend reinvestment plan and stock option plan	49,363	7.6	48,000	7.5	162,716	23.1	125,017	20.4
Repurchased ¹	(49,363)	(7.6)	(343,501)	(56.5)	(162,716)	(23.2)	(2,204,192)	(368.5)
Change in accrued liability for ASPP commitment	—	—	—	1.8	—	—	—	8.1
Excess of repurchase price over average cost	—	6.9	—	52.6	—	21.3	—	344.1
Shares outstanding at end of the period	52,197,823	\$ 619.7	52,197,823	\$ 591.7	52,197,823	\$ 619.7	52,197,823	\$ 591.7

¹ Repurchased shares, pursuant to the Company's NCIB program, have been restored to the status of authorized but unissued shares. The Company records shares repurchased on a transaction date basis.

As of September 28, 2024, the Company had dividends declared and payable to holders of Class A Non-Voting Shares and Common Shares of \$97.3 million (September 30, 2023 – \$95.9 million) at a rate of \$1.7500 per share (September 30, 2023 – \$1.7250 per share).

On November 6, 2024, the Company's Board of Directors declared dividends at a rate of \$1.7750 per share payable on March 1, 2025 to shareholders of record as of January 31, 2025.

9. Share-Based Payments

During the 39 weeks ended September 28, 2024, the Company granted the following share-based payment awards:

Stock Options

The Company granted 588,046 (September 30, 2023 – 253,660) stock options to certain employees. These stock options vest on a graduated basis over a three-year period, are exercisable over a term of seven years, and have an exercise price of \$132.87 (September 30, 2023 – \$167.80, \$166.07 and \$155.44).

10. Revenue

External revenue by reportable operating segment is as follows:

For the	13 weeks ended									
	September 28, 2024					September 30, 2023				
(C\$ in millions)	Retail	Financial Services	CT REIT	Adjustments	Total	Retail	Financial Services	CT REIT	Adjustments	Total
Sale of goods	\$ 3,647.1	\$ —	\$ —	\$ —	\$ 3,647.1	\$ 3,720.0	\$ —	\$ —	\$ —	\$ 3,720.0
Interest income on loans receivable	9.2	338.9	—	(2.7)	345.4	8.4	330.9	—	(8.8)	330.5
Royalties and licence fees	16.7	—	—	—	16.7	17.8	—	—	—	17.8
Services rendered	4.4	46.9	—	(1.8)	49.5	4.5	49.2	—	(1.7)	52.0
Rental income	119.3	—	14.9	—	134.2	115.6	—	14.6	—	130.2
	\$ 3,796.7	\$ 385.8	\$ 14.9	\$ (4.5)	\$ 4,192.9	\$ 3,866.3	\$ 380.1	\$ 14.6	\$ (10.5)	\$ 4,250.5

For the (C\$ in millions)	39 weeks ended									
	September 28, 2024					September 30, 2023				
	Retail	Financial Services	CT REIT	Adjustments	Total	Retail	Financial Services	CT REIT	Adjustments	Total
Sale of goods	\$10,245.4	\$ —	\$ —	\$ —	\$10,245.4	\$10,647.0	\$ —	\$ —	\$ —	\$10,647.0
Interest income on loans receivable	27.6	991.8	—	(11.7)	1,007.7	23.2	938.1	—	(15.6)	945.7
Royalties and licence fees	44.4	—	—	—	44.4	46.7	—	—	—	46.7
Services rendered	14.6	143.3	—	(4.8)	153.1	12.0	153.5	—	(4.2)	161.3
Rental income	354.0	—	45.9	—	399.9	369.3	—	43.5	—	412.8
	\$10,686.0	\$ 1,135.1	\$ 45.9	\$ (16.5)	\$11,850.5	\$11,098.2	\$ 1,091.6	\$ 43.5	\$ (19.8)	\$12,213.5

Retail revenue breakdown is as follows:

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Canadian Tire	\$ 2,189.3	\$ 2,201.0	\$ 6,265.4	\$ 6,526.7
SportChek	521.5	518.3	1,350.9	1,400.1
Mark's	316.1	322.4	948.0	970.3
Helly Hansen ¹	205.7	219.2	535.2	563.2
Petroleum	553.1	597.6	1,571.9	1,628.0
Other and intersegment eliminations ¹	11.0	7.8	14.6	9.9
	\$ 3,796.7	\$ 3,866.3	\$ 10,686.0	\$ 11,098.2

¹ Helly Hansen revenue represents external revenue only.

Major Customers

The Company does not rely on any one customer.

11. Cost of Producing Revenue

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Inventory cost of sales ¹	\$ 2,576.8	\$ 2,651.7	\$ 7,227.7	\$ 7,587.2
Net impairment loss on loans receivable	123.1	107.3	373.1	323.9
Finance costs	35.1	28.3	101.8	75.6
Other	26.3	26.7	58.8	60.0
	\$ 2,761.3	\$ 2,814.0	\$ 7,761.4	\$ 8,046.7

¹ Inventory cost of sales includes depreciation for the 13 and 39 weeks ended September 28, 2024 of \$5.4 million (September 30, 2023 – \$6.6 million) and \$17.8 million (September 30, 2023 – \$24.1 million), respectively.

Inventory write-downs as a result of net realizable value being lower than cost, recognized in the 13 and 39 weeks ended September 28, 2024 were \$27.8 million (September 30, 2023 – \$27.1 million) and \$59.5 million (September 30, 2023 – \$99.7 million), respectively.

Inventory write-downs recognized in prior periods and reversed in the 13 and 39 weeks ended September 28, 2024 were \$3.6 million (September 30, 2023 – \$5.3 million) and \$5.4 million (September 30, 2023 – \$6.7 million), respectively. The reversal of write-downs was the result of actual losses being lower than previously estimated.

The write-downs and reversals are included in Inventory cost of sales, with the exception of the write-downs resulting from the fire at the A.J. Billes Distribution Centre which were recognized in Other expense (income) in the Consolidated Statements of Income in 2023.

12. Selling, General and Administrative Expenses

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Personnel expenses	\$ 429.4	\$ 443.4	\$ 1,200.5	\$ 1,255.8
Occupancy	124.0	127.9	378.0	390.9
Marketing and advertising	89.9	77.7	272.0	254.4
Information systems	90.0	82.9	283.4	258.4
Other	159.6	159.8	451.7	532.7
	\$ 892.9	\$ 891.7	\$ 2,585.6	\$ 2,692.2

13. Depreciation and Amortization

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Depreciation of property and equipment and investment property ¹	\$ 83.2	\$ 73.7	\$ 234.7	\$ 213.6
Depreciation of right-of-use assets	77.4	88.9	246.2	266.9
Amortization of intangible assets	28.9	31.4	89.1	94.4
	\$ 189.5	\$ 194.0	\$ 570.0	\$ 574.9

¹ Refer to Note 11 for depreciation included in Cost of producing revenue.

14. Net Finance Costs

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Finance income	\$ (9.3)	\$ (13.1)	\$ (31.4)	\$ (26.6)
Finance income on lease receivables ¹	(1.7)	(1.1)	(4.1)	(3.4)
Finance costs	70.2	69.2	223.7	183.9
Finance costs on lease liabilities	26.1	25.3	77.2	76.8
	\$ 85.3	\$ 80.3	\$ 265.4	\$ 230.7

¹ Relates to properties where the Company is an intermediate lessor in a sublease arrangement classified as a finance sublease under IFRS 16.

15. Income Taxes

Income tax (benefit) expense recognized in other comprehensive income is as follows:

For the (C\$ in millions)	13 weeks ended		39 weeks ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
Net fair value gains (losses) on hedging instruments entered into for cash flow hedges not subject to basis adjustment	\$ 4.5	\$ 5.3	\$ 3.6	\$ 7.5
Deferred cost of hedging not subject to basis adjustment – Changes in fair value of the time value of an option in relation to time-period-related hedged items	(10.9)	10.3	(2.8)	10.9
Reclassification of losses (gains) to income	(0.5)	0.1	(2.7)	0.5
Net fair value gains (losses) on hedging instruments entered into for cash flow hedges subject to basis adjustment	(7.6)	25.5	15.8	12.3
	\$ (14.5)	\$ 41.2	\$ 13.9	\$ 31.2

In the ordinary course of business, the Company is subject to ongoing audits by tax authorities. While the Company has determined that its tax filing positions are appropriate and supportable, occasionally certain matters are reviewed and challenged by the tax authorities.

There have been no material changes in ongoing income tax audits by tax authorities as disclosed in Note 16 to the 2023 Consolidated Financial Statements and Notes.

The Company regularly reviews the potential for adverse outcomes with respect to tax matters. The Company believes that their ultimate disposition will not have a material adverse effect on its liquidity, consolidated financial position, or Net income because the Company has determined that it has adequate provision for these tax matters. Should the ultimate tax liability materially differ from the provision, the Company's effective tax rate and its earnings could be affected positively or negatively in the period in which the matters are resolved.

16. Notes to the Condensed Interim Consolidated Statements of Cash Flows

Cash and cash equivalents, comprise the following:

(C\$ in millions)	September 28, 2024	September 30, 2023	December 30, 2023
As at			
Cash	\$ 327.5	\$ 320.6	\$ 258.1
Cash equivalents	19.8	126.4	29.1
Restricted cash and cash equivalents ¹	6.7	11.9	24.0
Total cash and cash equivalents ²	\$ 354.0	\$ 458.9	\$ 311.2

¹ Restricted cash and cash equivalents of \$2.8 million (September 30, 2023 – \$8.7 million and December 30, 2023 – \$19.8 million) relates to GCCT and is restricted for the purpose of paying principal and interest to note holders and additional funding costs. \$3.7 million (September 30, 2023 – \$3.2 million and December 30, 2023 – \$4.2 million) represents Helly Hansen's operational items.

² Included in Cash and cash equivalents are amounts held in reserve in support of CTB's liquidity and regulatory requirements.

The total cash outflow for leases during the 13 and 39 weeks ended September 28, 2024 was \$87.4 million (September 30, 2023 – \$124.5 million) and \$329.5 million (September 30, 2023 – 407.7 million), respectively.

Capital and Other Commitments

As at September 28, 2024, the Company had capital commitments for the acquisition of property and equipment, investment property, and intangible assets for an aggregate cost of approximately \$134.4 million (September 30, 2023 – \$154.7 million).

17. Financial Instruments

17.1 Fair Value of Financial Instruments

Fair values have been determined for measurement and/or disclosure purposes based on the following:

Cash and cash equivalents, Trade and other receivables, Loans receivable, Bank indebtedness, Trade and other payables, Short-term borrowings, and Loans are carried at amounts that approximate their fair value either due to their short-term nature or because they are derivatives carried at fair value.

Long-term receivables and other assets are carried at amounts that approximate their fair value because their carrying amounts reflect current market interest rates or because they are derivatives carried at fair value.

Fair values of financial instruments reflect the credit risk of the Company and counterparties when appropriate.

Investments in Debt Securities

The fair values of financial assets are determined using a combination of discounted cash flow models using inputs for which market-observable prices exist, and where available, comparison to similar instruments and other valuation models.

Derivatives

The fair value of derivatives is estimated using readily observable market inputs and standard valuation models, as follows:

Foreign exchange forward contracts are estimated by discounting the difference between the contractual forward price and the current forward price and applying a risk-free rate to reflect the maturity of the contract.

Interest rate swaps and swaptions, are estimated using data inputs on the measurement date and are verified against external valuation sources.

Equity derivatives are calculated referencing share price movements adjusted for interest, using market interest rates specific to the terms of the underlying derivative contracts, and are verified against external valuation sources.

Redeemable Financial Instrument

From October 1, 2014 through October 31, 2023, Scotiabank held an option to sell, requiring the Company to purchase, all of Scotiabank's interest in CTF Holdings Limited. As a result, the Company recognized a redeemable financial instrument, held at FVTPL, through October 31, 2023. The Company repurchased these shares which extinguished the redeemable financial instrument in 2023.

17.2 Fair Value of Financial Assets and Financial Liabilities Classified Using the Fair Value Hierarchy

The Company uses a fair value hierarchy to categorize the inputs used to measure the fair value of financial assets and financial liabilities.

The following table presents the financial instruments measured at fair value classified by the fair value hierarchy:

(C\$ in millions)

As at	Category	September 28, 2024		September 30, 2023		December 30, 2023	
		Level		Level		Level	
Trade and other receivables	FVTPL ¹	2	\$ 24.6	2	\$ 31.4	2	\$ 14.0
Trade and other receivables	Effective hedging instruments	2	40.0	2	141.7	2	62.7
Long-term receivables and other assets	FVTPL ¹	2	7.6	2	—	2	—
Long-term receivables and other assets	Effective hedging instruments	2	16.2	2	95.3	2	44.8
Trade and other payables	FVTPL ¹	2	3.0	2	31.1	2	34.9
Trade and other payables	Effective hedging instruments	2	20.5	2	9.2	2	28.6
Redeemable financial instrument	FVTPL	—	—	2	895.0	—	—
Other long-term liabilities	FVTPL ¹	2	1.5	2	2.3	2	0.8
Other long-term liabilities	Effective hedging instruments	2	10.4	2	3.2	2	15.5

¹ Relates to derivatives not designated as hedging instruments.

With the exception of the redeemable financial instrument transferred from Level 3 to Level 2 during the third quarter of 2023, there were no transfers in either direction between levels for the financial instruments during the 13 and 39 weeks ended September 28, 2024 or the 13 and 39 weeks ended September 30, 2023.

17.3 Fair Value Measurement of Investments, Debt, and Deposits

The fair value measurement of investments, debt, and deposits is categorized within Level 2 of the fair value hierarchy described in Note 34.2 to the Company's 2023 Consolidated Financial Statements and Notes. The fair values of the Company's investments, debt, and deposits compared to the carrying amounts are as follows:

As at	September 28, 2024		September 30, 2023		December 30, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(C\$ in millions)						
Short-term investments	\$ 161.8	\$ 162.8	\$ 125.2	\$ 124.7	\$ 177.2	\$ 177.8
Long-term investments	72.4	73.4	63.4	64.1	108.2	110.0
Debt	4,955.5	5,066.6	4,315.3	4,116.0	4,964.5	4,950.1
Deposits	3,536.8	3,599.6	3,249.5	3,166.3	3,364.3	3,355.5

The difference between the fair values and the carrying amounts (excluding transaction costs, which are included in the carrying amount of debt) is due to changes in market interest rates for similar instruments. The fair values are determined by discounting the associated future cash flows using current market interest rates for items of similar risk.

18. Contingencies

Legal Matters

The Company is party to a number of legal and regulatory proceedings and has determined that each such proceeding constitutes a routine matter incidental to the business it conducts, and the ultimate disposition of the proceedings will not have a material effect on its consolidated Net income, cash flows, or financial position.

Insurance Recoveries

The Company has notified its insurers of a loss caused by the fire at the A.J. Billes Distribution Centre on March 15, 2023. The Company continues to assess contingent assets in relation to claim categories beyond remediation, inventory, property and equipment, and indirect costs. Any additional recoveries will be recognized when the losses are estimable, and receipt is virtually certain; however, the financial effect is not practicable to disclose. Refer to Note 2 to the Company's 2023 Consolidated Financial Statements and Notes for information regarding ongoing estimation uncertainty.