DOLLARAMA INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
Second Quarter Ended August 2, 2026

September 16, 2026

The following management's discussion and analysis ("MD&A") dated September 16, 2026 is intended to assist readers in understanding the business environment, strategies, performance and risk factors of Dollarama Inc. (together with its consolidated subsidiaries, referred to as "Dollarama", the "Corporation", "we", "us" or "our"). This MD&A provides the reader with a view and analysis, from the perspective of management, of the Corporation's financial results for the second quarter ended August 2, 2026. This MD&A should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements and notes for the second quarter ended August 2, 2026 and the audited annual consolidated financial statements and notes for Fiscal 2026 (as hereinafter defined).

Unless otherwise indicated and as hereinafter provided, all financial information in this MD&A as well as the Corporation's unaudited condensed interim consolidated financial statements for the second quarter ended August 2, 2026 have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board, also referred to as Generally Accepted Accounting Principles ("GAAP").

Accounting Periods

All references to "Fiscal 2025" are to the Corporation's fiscal year ended February 2, 2025; to "Fiscal 2026" are to the Corporation's fiscal year ended February 1, 2026; and to "Fiscal 2027" are to the Corporation's fiscal year ending January 31, 2027.

The Corporation's fiscal year ends on the Sunday closest to January 31 of each year and usually has 52 weeks. However, as is traditional with the retail calendar, every five or six years, a week is added to the fiscal year.

Recent Events and Highlights

Quarterly Cash Dividend

On September 16, 2026, the Corporation announced that its board of directors approved a quarterly cash dividend for holders of common shares of $0.1200 per common share. This dividend is payable on November 6, 2026 to shareholders of record at the close of business on October 9, 2026. The dividend is designated as an "eligible dividend" for Canadian tax purposes.

Dollarcity Dividend and Mexico Capital Call

On August 19, 2026, subsequent to the end of the quarter, CARS' (as hereinafter defined) board of directors approved a cash dividend of US$125.0 million. Dollarama's share corresponded to US$75.1 million ($103.8 million), reflecting its 60.1% ownership in CARS, and was received during the third quarter of Fiscal 2027. A portion of the dividend was used in the third quarter of Fiscal 2027 to fund a capital contribution of US$38.0 million ($52.4 million), representing the Corporation's 80.05% ownership interest in ICM (as hereinafter defined), in support of its expansion plans in Mexico.

Renewal of Normal Course Issuer Bid

On July 3, 2026, the Corporation announced the renewal of its normal course issuer bid ("NCIB") and the approval from the Toronto Stock Exchange ("TSX") to repurchase up to 13,532,086 of its common shares, representing 5.0% of the issued and outstanding common shares of the Corporation as at June 30, 2026, during the 12-month period from July 7, 2026 to July 6, 2027 (the "2026-2027 NCIB").

Amendment and Restatement of Credit Agreement

On June 26, 2026, the Corporation and Dollarama Australia Pty Limited ("Dollarama Australia") entered into a First Amending Agreement to the Fifth Amended and Restated Credit Agreement (the "Credit Agreement") with the lenders in order to, among other things, extend the terms of its revolving credit facilities by approximately one year so that the term now ends, for Facility A on June 26, 2031, for Facility B and Facility C, on June 26, 2029, and for Facility D and Facility E on July 2, 2027.

Overview

Our Business

Founded in 1992 and headquartered in Montreal, Québec, Canada, Dollarama is a leading Canadian value retailer with operations in Canada and, following the acquisition of The Reject Shop Limited (now Dollarama Australia) on July 21, 2025 (the "TRS Transaction"), in Australia, and in Latin America through its equity accounted investments in Central American Retail Sourcing Inc. ("CARS") and Inversiones Comerciales Mexicanas S.A. ("ICM", and together with CARS and their respective subsidiaries, the "Dollarcity Group" or "Dollarcity"). In every market where it operates, either directly or indirectly, the Corporation aims to provide compelling value at select low fixed price points and convenient access to a wide assortment of affordable everyday and seasonal merchandise that appeals to a broad customer base. The stores forming the Corporation's network currently operate in Canada under the Dollarama® banner, in Australia under The Reject Shop® banner and in Latin America under the Dollarcity® banner.

The Corporation's strategy is to grow sales, operating income, net earnings, earnings per share and cash flows by expanding its store network and by offering a compelling value proposition on a wide variety of merchandise. The Corporation continually strives to maintain and improve the efficiency of its operations. The Corporation continues to evaluate opportunities and implement strategies to optimize its operations in Australia in the coming years and further align its operations with the Corporation's business model, including store layout and product offering.

In Canada, as at August 2, 2026, the Corporation had 1,734 stores, including 15 net new stores opened during the second quarter of Fiscal 2027. Canadian stores average 10,466 square feet and offer a broad assortment of consumable products, general merchandise and seasonal items, including private label and national brand products, all at compelling value. Merchandise is sold in individual or multiple units at select, fixed price points up to $5.00. All stores are corporately operated, providing a consistent shopping experience, and located in high-traffic metropolitan areas, mid-sized cities and small towns. The Corporation also has partnerships with third-party online delivery platforms offering fast delivery to provide additional convenience to Canadian customers.

In Australia, as at August 2, 2026, the Corporation operated a well-located national store network of 414 stores, including 4 net new stores and 25 renovated stores during the second quarter of Fiscal 2027. From its 414 stores, 60 are now configured with Dollarama's in-store layout and fixtures, including renovated and new stores, but will continue to operate under the legacy banner until the product assortment reflects Dollarama's value proposition. Australian stores average 7,696 square feet and offer a wide range of private-label and national brand products, with approximately 90% of sales with price points ranging between A$0.45 and A$15.00.

In Latin America, Dollarcity had a total of 781 stores as at June 30, 2026 (compared to 732 as at December 31, 2025), with 432 locations in Colombia, 124 in Guatemala, 116 in Peru, 88 in El Salvador and 21 in Mexico. Dollarcity stores offer a broad assortment of general merchandise, consumable products and seasonal items at select, fixed price points up to US$4.00 (or the equivalent in local currency). The operations of Dollarcity in Latin America are jointly controlled by Dollarama International Inc. ("Dollarama International") and the Dollarcity founding stockholders, through their respective ownership in CARS and ICM. CARS is a corporation organized under the laws of Panama and the parent company of entities operating stores located in El Salvador, Guatemala, Colombia and Peru, and ICM, also organized under the laws of Panama, is the parent company of entities operating stores located in Mexico. Dollarama International holds a 60.1% interest in CARS and a 80.05% interest in ICM, both accounted for as joint arrangements using the equity method.

The Corporation has two reportable segments: Canada (which includes the contribution of the Corporation's equity-accounted investments in Latin America) and Australia since the completion of the TRS Transaction. As at August 2, 2026, the principal entities forming part of the Dollarama group were as follows:

Name of entities	Country of incorporation	Functional currency	Equity interest
Dollarama L.P.	Canada	Canadian dollar	100.0%
Dollarama International Inc.	Canada	U.S. dollar	100.0%
Central American Retail Sourcing Inc.	Panama	U.S. dollar	60.1%
Inversiones Comerciales Mexicanas S.A.	Panama	Mexican pesos	80.05%
Dollarama Australia Pty Limited	Australia	Australian dollar	100.0%

Key Items in the Second Quarter of Fiscal 2027

Compared to the second quarter of Fiscal 2026:

- Sales increased by 17.6% to $2,026.6 million, compared to $1,723.8 million
- Comparable store sales[(1)] in Canada increased by 5.4%, compared to 4.9% in the second quarter of the previous year
- EBITDA[(1)] increased by 11.0% to $653.0 million, representing an EBITDA margin[(1)] of 32.2%, compared to 34.1%
- Operating income increased by 7.0% to $517.3 million, representing an Operating margin[(1)] of 25.5%, compared to 28.0%
- Net earnings increased by 8.7% to $349.3 million, resulting in an 11.2% increase in diluted net earnings per common share to $1.29, compared to $1.16
- 15 net new stores opened in Canada, compared to 27 in the corresponding period of the previous year
- 4 net new stores opened and 25 stores renovated in Australia, all operating under the legacy banner
- 1,596,016 common shares repurchased for cancellation at a cost of $300.4 million

Key Items in the First Six Months of Fiscal 2027

Compared to the first six months of Fiscal 2026:

- Sales increased by 19.3% to $3,872.7 million, compared to $3,245.0 million
- Comparable store sales[(1)] in Canada increased by 5.5%, over and above 4.9% growth in the corresponding period of the previous year
- EBITDA[(1)] increased by 13.9% to $1,235.5 million, representing an EBITDA margin[(1)] of 31.9%, compared to 33.4%
- Operating income increased by 8.9% to $949.6 million, representing an Operating margin[(1)] of 24.5%, compared to 26.9%
- Net earnings increased by 9.5% to $651.6 million, resulting in an 11.7% increase in diluted net earnings per common share to $2.39, compared to $2.14
- Unrealized gain of $16.4 million in the first quarter of Fiscal 2027 relating to the derivative on our equity-accounted investment, positively impacting EBITDA margin by approximately 40 basis points and diluted net earnings per common share by $0.06
- 43 net new stores opened in Canada, compared to 49 in the corresponding period of the previous year
- 12 net new stores opened and 38 stores renovated in Australia, all operating under the legacy banner
- 3,558,026 common shares repurchased for cancellation at a cost of $639.5 million

Outlook

A discussion of management's expectations as to the Corporation's outlook for the Canadian and Australian segments for Fiscal 2027 is contained in the Corporation's press release dated September 16, 2026 under the heading "Fiscal 2027 Outlook". The press release is available on SEDAR+ at **www.sedarplus.ca** and on the Corporation's website at **www.dollarama.com**.

(1) Refer to the section entitled "Non-GAAP and Other Financial Measures" of this MD&A for the definition of these items and, where applicable, their reconciliation with the most directly comparable GAAP measure.

Factors Affecting Results of Operations

Sales

The Corporation recognizes revenue from the sale of products. For stores operating in Canada, all sales are final, and revenue is measured net of sales taxes and discount. For stores operating in Australia, revenue is recorded net of discount, returns and sales taxes. Gift cards sold are recorded as a liability, and revenue is recognized when gift cards are redeemed. Sales consist of Comparable store sales and new store sales as well as sales to third parties.

Comparable store sales represent sales from stores, including relocated and expanded stores, open for at least 13 complete fiscal months relative to the equivalent period in the prior fiscal year. The primary drivers of Comparable store sales performance are changes in the number of transactions and the average transaction size. To increase Comparable store sales, the Corporation focuses on offering a wide selection of quality merchandise at attractive values in well-designed, consistent and convenient store formats. As the Corporation continues to evaluate and implement strategies to optimize operations and deploy attributes of the Dollarama business model in Australia over the coming years, the Corporation is not currently presenting Comparable store sales information for this segment.

Under the sourcing agreements and the services agreements between Dollarama International and Dollarcity, the Corporation recognizes revenue based on the amounts billed to Dollarcity when the Corporation acts as the principal. Otherwise, the Corporation recognizes the net amount that it retains as revenue. Refer to section entitled "Dollarcity" for additional details.

Historically, our lowest sales results have occurred during the first quarter whereas our highest sales results have occurred during the fourth quarter, with December representing the highest proportion of sales. Our sales also generally increase ahead of other holidays and celebrations, such as Easter, St. Patrick's Day, Valentine's Day and Halloween, but we otherwise experience limited seasonal sales fluctuations and expect this trend to continue. That said, the occurrence of unusually adverse weather causing disruption in our business activities or operations during a peak season or for a prolonged period of time could have an adverse effect on our distribution network and on store traffic, which could materially adversely affect our business and financial results. Refer to the section of this MD&A entitled "Risks and Uncertainties" for a discussion on the risks associated with seasonality and business continuity.

Cost of Sales

Our cost of sales consists mainly of inventory purchased, the variable and non-indexed portion of store occupancy costs that are excluded from the lease liability under IFRS 16, shipping and transportation costs (which are largely variable and proportional to our sales volume) as well as warehouse, distribution centre and logistics hubs occupancy and labour costs. We record vendor rebates, consisting of volume purchase rebates, when it is probable that they will be received and the amounts can reasonably be estimated. The rebates are recorded as a reduction of inventory purchases or, if the related inventory has been sold, as a reduction of the cost of sales.

Although cost increases, including raw material costs, can negatively affect our business, our multiple price point product offering provides some flexibility to react to and offset, at least partially, those cost increases.

Since the Corporation purchases goods in currencies other than the functional currency of the entities conducting its operations in Canada and Australia, primarily by importing merchandise from China in U.S. dollars, fluctuations in the U.S. dollars relative to the functional currency have a direct impact on cost of sales. As a result, cost of sales is impacted indirectly by the fluctuation of the Chinese renminbi against the U.S. dollar and directly by the fluctuation of the U.S. dollar against the functional currency. While we enter into foreign exchange forward contracts to hedge a significant portion of our exposure to fluctuations in the value of the U.S. dollar against the functional currencies (for a period of up to twelve months in advance), we do not hedge our exposure to fluctuations in the value of the Chinese renminbi against the U.S. dollar.

Shipping and transportation costs are also a significant component of our cost of sales.

The occupancy costs included in our cost of sales are mainly comprised of variable and non-indexed rental expenses for our stores that are excluded from the lease liability under IFRS 16. Fixed and indexed rental payments are recognized as a lease liability under IFRS 16. Occupancy costs have generally increased over the years. Management believes that it is generally able to negotiate leases at competitive market rates and does not anticipate material rate increases in the short to medium term. In Canada, store leases are typically signed with base terms of ten years and one or more renewal options of five years each. In Australia, store leases are generally signed with shorter terms than those in Canada and may include renewal options.

We strive to maintain a sustainable Gross margin, aimed at achieving a healthy balance between maximizing returns to shareholders and offering a compelling value to our customers. The Gross margin varies on a quarterly basis as a result of fluctuations in product margins, product mix and/or fluctuations in logistics and transportation costs, among other factors. In Canada, our current target is to refresh approximately 25% to 35% of our offering on an annual basis. In Australia, as we are currently optimizing the assortment to align with Dollarama's value proposition, no refresh target has been established at this time.

General, Administrative and Store Operating Expenses

General, administrative and store operating expenses ("SG&A") consist of store labour, which is primarily variable and proportional to our sales volume, as well as general store maintenance costs, salaries and related benefits of corporate and field management team members, administrative office expenses, professional fees, transaction costs, and other related expenses, all of which are primarily fixed. Although our average store hourly wage rate is higher than the statutory minimum wage, a significant increase in the statutory minimum wage would significantly increase our payroll costs unless we realize offsetting productivity improvements and other store cost reductions. SG&A is generally higher for the Australian segment compared to the Canadian segment, primarily as a result of higher labour costs.

Economic or Industry-Wide Factors Affecting the Corporation

The Corporation operates in the value retail industry, which is highly competitive with respect to price, store location, merchandise quality, assortment and presentation, in-stock consistency, and customer service. In addition to the competition from other dollar stores, the Corporation faces competition to an even greater extent from variety and discount stores, convenience stores and mass merchants, many of which operate stores in the areas where the Corporation operates, offer products substantially similar to those offered by the Corporation and engage in extensive advertising and marketing efforts. Moreover, as a result of the Corporation's broad offering of general merchandise, consumable products and seasonal items, it faces competition from various speciality retailers, including in the stationery, hardware, household ware, grocery, health and beauty and arts and crafts categories, whose product offerings overlap with a subset of the Corporation's product offering. Additionally, the Corporation competes with a number of companies for prime retail site locations and for the recruitment and retention of qualified employees.

Selected Consolidated Financial Information

The following tables set out selected financial information for the periods indicated below:

(dollars and shares in thousands, except per share amounts)	**13-week periods ended**		**26-week periods ended**	
	August 2, 2026 $	**August 3, 2025 $**	**August 2, 2026 $**	**August 3, 2025 $**
Earnings Data				
Sales	2,026,645	1,723,838	3,872,734	3,245,048
Cost of sales	1,125,752	939,348	2,161,852	1,788,248
Gross profit	900,893	784,490	1,710,882	1,456,800
SG&A	306,668	241,223	610,700	474,680
Depreciation and amortization	126,769	98,121	251,719	188,502
Share of net earnings of equity-accounted investments	(49,883)	(38,330)	(101,121)	(78,642)
Operating income	517,339	483,476	949,584	872,260
Unrealized gain from derivative on equity-accounted investments	-	-	(16,448)	(10,348)
Net financing costs	51,173	43,169	100,907	87,129
Earnings before income taxes	466,166	440,307	865,125	795,479
Income taxes	116,851	118,809	213,536	200,225
Net earnings	**349,315**	**321,498**	**651,589**	**595,254**
Basic net earnings per common share	$1.29	$1.16	$2.40	$2.15
Diluted net earnings per common share	$1.29	$1.16	$2.39	$2.14
Weighted average number of common shares outstanding:				
Basic	270,435	276,999	271,395	277,022
Diluted	271,471	278,230	272,435	278,227
Other Consolidated Data				
Year-over-year sales growth	17.6%	10.3%	19.3%	9.3%
Gross margin (1)	44.5%	45.5%	44.2%	44.9%
SG&A as a % of sales (1)	15.1%	14.0%	15.8%	14.6%
EBITDA (1)	653,027	588,476	1,235,533	1,084,647
Operating margin (1)	25.5%	28.0%	24.5%	26.9%
Capital expenditures	126,136	60,656	238,253	106,911
Declared dividends per common share	$0.1200	$0.1058	$0.2400	$0.2116

(dollars in thousands)	**As at**	
	August 2, 2026 $	**February 1, 2026 $**
Statement of Financial Position Data		
Cash and cash equivalents	479,739	331,569
Inventories	1,096,123	1,103,175
Total current assets	1,677,492	1,508,355
Property, plant and equipment	1,417,858	1,258,499
Right-of-use assets	2,516,850	2,397,209
Total assets	8,180,293	7,558,352
Total current liabilities	1,080,653	1,348,179
Total non-current liabilities	5,621,733	4,754,285
Total debt (1)	2,996,746	2,625,121
Net debt (1)	2,517,007	2,293,552
Shareholders' equity	1,477,907	1,455,888

1) Refer to the section entitled "Non-GAAP and Other Financial Measures" of this MD&A for the definition of these items and, where applicable, their reconciliation with the most directly comparable GAAP measure.

Selected Segmented Financial Information

The following tables set out selected financial information by reportable segments for the periods indicated below and has been derived from the Corporation's unaudited condensed interim consolidated financial statements and related notes.

The comparative information for the 13-week and 26-week periods ended August 3, 2025 include the financial results of The Reject Shop Limited (now Dollarama Australia) for the 13-day period between July 22, 2025 and August 3, 2025 (the "Post-Acquisition Period"), whereas the current-period results include full periods of operations.

For the 13-week and 26-week periods ended August 2, 2026, the Corporation entered into inter-segment transactions between the Canadian and Australian segments for the recharges of certain support functions for the benefit of the Australian segment. The incremental profits resulting from these inter-segment transactions amounted to $0.4 million and $0.6 million, respectively, and are eliminated within the respective segments.

Canadian Segment

	13-week periods ended		26-week periods ended	
(dollars and shares in thousands, except per share amounts)	**August 2, 2026** $	**August 3, 2025** $	**August 2, 2026** $	**August 3, 2025** $
Earnings Data				
Sales	1,841,885	1,698,105	3,495,157	3,219,315
Cost of sales (1)	1,000,875	923,163	1,910,450	1,772,063
Gross profit	841,010	774,942	1,584,707	1,447,252
SG&A	254,746	234,721	505,107	468,178
Depreciation and amortization	101,681	95,038	201,786	185,419
Share of net earnings of equity-accounted investments	(49,883)	(38,330)	(101,121)	(78,642)
Operating income	534,466	483,513	978,935	872,297
Unrealized gain from derivative on equity-accounted investments	-	-	(16,448)	(10,348)
Net financing costs	47,953	42,831	93,606	86,791
Income taxes	123,440	118,923	225,111	200,339
Net earnings	**363,073**	**321,759**	**676,666**	**595,515**
Other Segmented Data				
Comparable store sales growth (2)	5.4%	4.9%	5.5%	4.9%
Gross margin (2)	45.7%	45.6%	45.3%	45.0%
SG&A as a % of sales (2)	13.8%	13.8%	14.5%	14.5%
EBITDA (2)	642,858	585,203	1,210,581	1,081,374
Capital expenditures	102,513	60,223	190,242	106,478
Number of stores (3)	1,734	1,665	1,734	1,665
Average store size (gross square feet) (3)	10,466	10,446	10,466	10,446

(1) For the 13-week and 26-week periods ended August 2, 2026, Cost of sales included depreciation and amortization of $6,711 and $13,412, respectively (13-week and 26-week periods ended August 3, 2025 – $6,652 and $13,310, respectively).

(2) Refer to the section entitled "Non-GAAP and Other Financial Measures" of this MD&A for the definition of these items and, where applicable, their reconciliation with the most directly comparable GAAP measure. The EBITDA for this segment is calculated on the same basis as the consolidated EBITDA of the Corporation. Individual amounts for each of the items included in the reconciliation of the Corporation's consolidated EBITDA to the most directly comparable GAAP measure set forth in the section entitled "Non-GAAP and Other Financial Measures" of this MD&A are presented in this table.

(3) At the end of the period.

Australian Segment

(dollars and shares in thousands, except per share amounts)	13-week periods ended August 2, 2026 $	13-week periods ended August 3, 2025 (1) $	26-week periods ended August 2, 2026 $	26-week periods ended August 3, 2025 (1) $
Earnings Data				
Sales	184,760	25,733	377,577	25,733
Cost of sales (2)	124,877	16,185	251,402	16,185
Gross profit	59,883	9,548	126,175	9,548
SG&A	51,922	6,502	105,593	6,502
Depreciation and amortization	25,088	3,083	49,933	3,083
Operating loss	(17,127)	(37)	(29,351)	(37)
Net financing costs	3,220	338	7,301	338
Income taxes	(6,589)	(114)	(11,575)	(114)
Net loss	**(13,758)**	**(261)**	**(25,077)**	**(261)**
Other Segmented Data				
Gross margin (3)	32.4%	37.1%	33.4%	37.1%
SG&A as a % of sales (3)	28.1%	25.3%	28.0%	25.3%
EBITDA (3)	10,169	3,273	24,952	3,273
Capital expenditures	23,623	433	48,011	433
Number of stores (4)	414	395	414	395
Average store size (gross square feet) (4)	7,696	7,678	7,696	7,678

(1) Representing results from July 22, 2025 to August 3, 2025, following the completion of the TRS Transaction.

(2) For the 13-week and 26-week periods ended August 2, 2026, Cost of sales included depreciation and amortization of $2,208 and $4,370, respectively (13-week and 26-week periods ended August 3, 2025 – $227 and $227, respectively).

(3) Refer to the section entitled "Non-GAAP and Other Financial Measures" of this MD&A for the definition of these items and, where applicable, their reconciliation with the most directly comparable GAAP measure. The EBITDA for this segment is calculated on the same basis as the consolidated EBITDA of the Corporation. Individual amounts for each of the items included in the reconciliation of the Corporation's consolidated EBITDA to the most directly comparable GAAP measure set forth in the section entitled "Non-GAAP and Other Financial Measures" of this MD&A are presented in this table.

(4) At the end of the period.

Results of Operations

Fiscal 2027 Second Quarter Financial Results

The following section provides an overview of the Corporation's financial performance during the second quarter of Fiscal 2027 compared to the second quarter of Fiscal 2026.

Sales

Sales for the second quarter of Fiscal 2027 increased by 17.6% to $2,026.6 million, compared to $1,723.8 million in the corresponding period of the prior fiscal year. This increase was driven by the inclusion of a full quarter of sales in Australia compared to a 13-day Post-Acquisition Period in the second quarter of Fiscal 2026, growth in the total number of stores in Canada over the past 12 months (from 1,665 on August 3, 2025, to 1,734 on August 2, 2026) and Comparable store sales growth in Canada.

Comparable store sales in Canada for the second quarter of Fiscal 2027 increased by 5.4%, consisting of a 3.7% increase in the number of transactions and a 1.7% increase in average transaction size, over and above 4.9% for the second quarter of Fiscal 2026. Comparable store sales growth in Canada was primarily driven by strong demand for consumables and general merchandise.

In Canada, new stores, which are not yet comparable stores, reach annual sales of approximately $3.2 million within their first two years of operation, and achieve an average capital payback period of approximately two years.

Gross Margin

Gross margin[(1)] was $900.9 million or 44.5% of sales in the second quarter of Fiscal 2027, compared to $784.5 million or 45.5% of sales in the second quarter of Fiscal 2026. The variance was primarily driven by the inclusion of a full quarter of results in Australia compared to a 13-day Post-Acquisition Period and a lower Gross margin in Australia, compared to the second quarter of Fiscal 2026, representing a negative 110-basis-point impact. In Canada, Gross margin was 45.7% of sales in the second quarter of Fiscal 2027, compared to 45.6% of sales for the same period last year, primarily due to the positive impact of scaling.

SG&A

SG&A for the second quarter of Fiscal 2027 increased by 27.2% to $306.7 million, compared to $241.2 million for the second quarter of Fiscal 2026. SG&A for the second quarter of Fiscal 2027 represented 15.1% of sales, compared to 14.0% of sales for the second quarter of Fiscal 2026. This increase is primarily attributable to the inclusion of a full quarter of results in Australia compared to a 13-day Post-Acquisition Period and higher SG&A as a percentage of sales in Australia compared to the second quarter of Fiscal 2026, representing a negative 110-basis-point impact. In Canada, SG&A for the second quarter of Fiscal 2027 represented 13.8% of sales, unchanged from the same period last year.

EBITDA

EBITDA was $653.0 million, representing an EBITDA margin of 32.2% for the second quarter of Fiscal 2027, compared to $588.5 million, or an EBITDA margin of 34.1% in the second quarter of Fiscal 2026. This variance is primarily driven by the inclusion of a full quarter of results in Australia compared to a 13-day Post-Acquisition Period and a lower EBITDA margin in Australia, compared to the second quarter of Fiscal 2026. In Canada, EBITDA for the second quarter of Fiscal 2027 was 34.9% of sales, compared to 34.5% of sales for the same period last year.

(1) Refer to the section entitled "Non-GAAP and Other Financial Measures" of this MD&A for the definition of these items and, where applicable, their reconciliation with the most directly comparable GAAP measure.

Depreciation and Amortization

The depreciation and amortization expense increased by $28.6 million, from $98.1 million for the second quarter of Fiscal 2026 to $126.8 million for the second quarter of Fiscal 2027. The variance is mainly attributable to a $22.0 million increase from the Australian segment, primarily attributable to the inclusion of a full quarter of results compared to a 13-day Post-Acquisition Period and additions to right-of-use assets and leasehold improvements on the opening of new stores from the Canadian segment.

Share of Net Earnings of Equity-Accounted Investments

The Corporation's share of net earnings from Dollarcity amounted to $49.9 million for the period from April 1, 2026 to June 30, 2026. This includes a 60.1% share of net earnings from CARS representing $55.6 million, compared to $39.8 million in the corresponding period of the previous year, reflecting a 39.7% year-over-year increase, and a 80.05% share of net loss from ICM representing $5.7 million, compared to a net loss of $1.5 million in the corresponding period of the previous year. Dollarcity's second quarter performance was mainly driven by a 30.0% increase in sales, primarily attributable to an increase in Comparable store sales and total number of stores over the last twelve months (from 658 on June 30, 2025, to 781 on June 30, 2026), a higher Gross margin, as well as a lower SG&A as a percentage of sales, partially offset by higher expansion costs in Mexico. The Corporation's investment in Dollarcity is accounted for as a joint arrangement using the equity method. Refer to the section entitled "Dollarcity" of this MD&A.

Net Financing Costs

Net financing costs increased by $8.0 million, from $43.2 million for the second quarter of Fiscal 2026 to $51.2 million for the second quarter of Fiscal 2027. The increase primarily reflects higher average debt levels from the Canadian segment following the issuance of 3.940% and 4.576% Fixed Rate Notes (as hereinafter defined) during the first quarter of Fiscal 2027 and a $2.9 million increase from the Australian segment, primarily attributable to the inclusion of a full quarter of results compared to a 13-day Post-Acquisition Period.

Income Taxes

Income taxes decreased by $1.9 million, from $118.8 million for the second quarter of Fiscal 2026 to $116.9 million for the second quarter of Fiscal 2027. The statutory income tax rate in Canada for the second quarter of Fiscal 2027 was 26.5%, unchanged from the corresponding quarter of Fiscal 2026. The Corporation's effective tax rates for the second quarter of Fiscal 2027 and Fiscal 2026 were 25.1% and 27.0%, respectively. The decrease in the effective tax rate for the second quarter of Fiscal 2027 is mainly due to the absence, compared to the second quarter of Fiscal 2026, of a $6.7 million non-recurring impact related to the license agreement entered into with Dollarcity for the expansion of the business in Mexico, as well as an increase in the amount of the Corporation's share of net earnings from its equity-accounted investment in Dollarcity.

Net Earnings

Net earnings increased by 8.7% to $349.3 million in the second quarter of Fiscal 2027, compared to $321.5 million in the second quarter of Fiscal 2026. Diluted net earnings per common share increased by 11.2% to $1.29 per diluted common share, in the second quarter of Fiscal 2027, including a negative $0.05 impact per diluted common share from the Australian segment.

Analysis of Results for the First Six Months of Fiscal 2027

The following section provides an overview of our financial performance during the first six months of Fiscal 2027 compared to the first six months of Fiscal 2026.

Sales

Sales for the first six months of Fiscal 2027 increased by 19.3% to $3,872.7 million, compared to $3,245.0 million in the corresponding period of the prior fiscal year. This increase was driven by the inclusion of six months of sales in Australia compared to a 13-day Post-Acquisition Period in the first six months of Fiscal 2026, growth in the total number of stores in Canada over the past 12 months and Comparable store sales growth in Canada.

Comparable store sales in Canada for the first six months of Fiscal 2027 increased by 5.5%, consisting of a 3.6% increase in the number of transactions and a 1.8% increase in average transaction size, over and above Comparable store sales growth in Canada of 4.9% for the first six months of Fiscal 2026. Comparable store sales growth was primarily driven by strong demand for consumables and general merchandise.

Gross Margin

Gross margin was $1,710.9 million or 44.2% of sales in the first six months of Fiscal 2027, compared to $1,456.8 million or 44.9% of sales in the first six months of Fiscal 2026. The variance was primarily driven by the inclusion of six months of results in Australia compared to a 13-day Post-Acquisition Period and a lower Gross margin in Australia, compared to the first six months of Fiscal 2026, representing a negative 100-basis-point impact. In Canada, Gross margin was 45.3% of sales in the first six months of Fiscal 2027, compared to 45.0% of sales for the same period last year, primarily due to the positive impact of scaling.

SG&A

SG&A for the first six months of Fiscal 2027 increased by 28.7% to $610.7 million, compared to $474.7 million for the first six months of Fiscal 2026. SG&A for the first six months of Fiscal 2027 represented 15.8% of sales, compared to 14.6% of sales for the first six months of Fiscal 2026. This increase is primarily attributable to the inclusion of six months of results in Australia compared to a 13-day Post-Acquisition Period and higher SG&A as a percentage of sales in Australia, compared to the first six months of Fiscal 2026, representing a negative 120-basis-point impact. In Canada, SG&A for the first six months of Fiscal 2027 represented 14.5% of sales, unchanged from the same period last year.

EBITDA

EBITDA was $1,235.5 million, representing an EBITDA margin of 31.9% for the first six months of Fiscal 2027, compared to $1,084.6 million, or an EBITDA margin of 33.4% in the first six months of Fiscal 2026. This variance is primarily driven by the inclusion of six months of results in Australia compared to a 13-day Post-Acquisition Period and a lower EBITDA margin in Australia, compared to the first six months of Fiscal 2026. In Canada, EBITDA for the first six months of Fiscal 2027 was 34.6% of sales, compared to 33.6% of sales for the same period last year.

Depreciation and Amortization

The depreciation and amortization expense increased by $63.2 million, from $188.5 million for the first six months of Fiscal 2026 to $251.7 million for the first six months of Fiscal 2027. The variance is mainly attributable to a $46.9 million increase from the Australian segment, primarily attributable to the inclusion of six months of results in Australia, compared to a 13-day Post-Acquisition Period and additions to right-of-use assets and leasehold improvements on the opening of new stores from the Canadian segment.

Share of Net Earnings of Equity-Accounted Investments

The Corporation's share of net earnings from Dollarcity amounted to $101.1 million for the period from January 1, 2026 to June 30, 2026. This includes a 60.1% share of net earnings from CARS representing $111.1 million, compared to $81.4 million in the corresponding period of the previous year, reflecting a 36.5% year-over-year increase, and a 80.05% share of net loss from ICM representing $10.0 million, compared to a net loss of $2.7 million in the corresponding period of the previous year. Dollarcity's first six months performance was mainly driven by a 30.2% increase in sales, primarily attributable to an increase in Comparable store sales and total number of stores over the last twelve months (from 658 on June 30, 2025, to 781 on June 30, 2026), as well as a lower SG&A as a percentage of sales, partially offset by higher expansion costs in Mexico. The Corporation's investment in Dollarcity is accounted for as a joint arrangement using the equity method. Refer to the section entitled "Dollarcity" of this MD&A.

Net Financing Costs

Net financing costs increased by $13.8 million, from $87.1 million for the first six months of Fiscal 2026 to $100.9 million for the first six months of Fiscal 2027. The increase primarily reflects higher average debt levels from the Canadian segment following the issuance of the 3.940% and 4.576% Fixed Rate Notes during the first quarter of Fiscal 2027 and a $7.0 million increase from the Australian segment, primarily attributable to the inclusion of six months of results compared to a 13-day Post-Acquisition Period.

Income Taxes

Income taxes increased by $13.3 million, from $200.2 million for the first six months of Fiscal 2026 to $213.5 million for the first six months of Fiscal 2027. The statutory income tax rate in Canada for the first six months of Fiscal 2027 was 26.5%, unchanged from the first six months of Fiscal 2026. The Corporation's effective tax rates for the first six months of Fiscal 2027 and Fiscal 2026 were 24.7% and 25.2%, respectively. The decrease in the effective tax rate for the first six months of Fiscal 2027 is mainly due to the absence, compared to the first six months of Fiscal 2026, of a $6.7 million non-recurring impact related to the license agreement entered into with Dollarcity for the expansion of the business in Mexico, as well as an increase in the amount of the Corporation's share of net earnings from its equity-accounted investment in Dollarcity.

Net Earnings

Net earnings increased by 9.5% to $651.6 million in the first six months of Fiscal 2027, compared to $595.3 million in the first six months of Fiscal 2026, resulting in an increase in diluted net earnings per common share of 11.7%, to $2.39 per diluted common share, in the first six months of Fiscal 2027, including a negative $0.09 impact per diluted common share from the Australian segment.

Summary of Consolidated Quarterly Results

	Fiscal 2027		Fiscal 2026				Fiscal 2025	
(dollars in thousands, except per share amounts)	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
Statement of Net Earnings Data	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Sales	2,026,645	1,846,089	2,101,264	1,909,442	1,723,838	1,521,210	1,881,345	1,562,644
Net earnings	349,315	302,274	392,460	321,724	321,498	273,756	390,954	275,806
Net earnings per common share								
Basic	$1.29	$1.11	$1.44	$1.17	$1.16	$0.99	$1.40	$0.98
Diluted	$1.29	$1.11	$1.43	$1.17	$1.16	$0.98	$1.40	$0.98

Liquidity and Capital Resources

Cash Flows for the Second Quarter of Fiscal 2027

(dollars in thousands)	**13-week periods ended August 2, 2026 $**	**13-week periods ended August 3, 2025 $**	**Change $**
Cash flows generated from operating activities	598,288	427,223	171,065
Cash flows used in investing activities	(126,400)	(268,543)	142,143
Cash flows generated from (used in) financing activities	(808,965)	299,542	(1,108,507)
Net change in cash and cash equivalents	(337,077)	458,222	(795,299)

Cash Flows - Operating Activities

For the second quarter of Fiscal 2027, cash flows generated from operating activities totalled $598.3 million, compared to $427.2 million for the second quarter of Fiscal 2026. This increase is mainly due to higher cash earnings from the Canadian segment as well as the inclusion of a full quarter of results in Australia, compared to a 13-day Post-Acquisition Period.

Cash Flows - Investing Activities

For the second quarter of Fiscal 2027, cash flows used in investing activities totalled $126.4 million, compared to $268.5 million of cash flows used in investing activities for the second quarter of Fiscal 2026. This variance is primarily attributable to the absence, compared to the second quarter of Fiscal 2026, of cash consideration paid for the TRS Transaction, net of cash acquired, of $181.8 million and a capital contribution of $24.5 million to ICM towards expansion plans in Mexico, partially offset by additional capital expenditures from the ongoing development of the Western logistics hub (the “Western Logistics Hub”) and the conversion of stores in Australia during the second quarter of Fiscal 2027.

Cash Flows - Financing Activities

For the second quarter of Fiscal 2027, cash flows used in financing activities totaled $809.0 million, compared to $299.5 million generated from financing activities for the second quarter of Fiscal 2026. This variance is mainly due to the repayment of the 1.871% Fixed Rate Notes representing $375.0 million and by a higher number of common shares repurchased under the normal course issuer bid during the second quarter of Fiscal 2027, compared to proceeds of $600.0 million from the issuance of the 3.850% Fixed Rate Notes during the second quarter of Fiscal 2026.

Cash Flows for the First Six Months of Fiscal 2027

	26-week periods ended		
(dollars in thousands)	**August 2, 2026 $**	**August 3, 2025 $**	**Change $**
Cash flows generated from operating activities	981,211	742,839	238,372
Cash flows used in investing activities	(187,701)	(263,904)	76,203
Cash flows generated from (used in) financing activities	(645,340)	85,610	(730,950)
Net change in cash and cash equivalents	148,170	564,545	(416,375)

Cash Flows - Operating Activities

For the first six months of Fiscal 2027, cash flows generated from operating activities totalled $981.2 million, compared to $742.8 million for the first six months of Fiscal 2026. This increase is mainly due to higher cash earnings from the Canadian segment as well as the inclusion of six months of results in Australia compared to a 13-day Post-Acquisition Period.

Cash Flows - Investing Activities

For the first six months of Fiscal 2027, cash flows used in investing activities totalled $187.7 million, compared to $263.9 million of cash flows used in investing activities for the first six months of Fiscal 2026. This variance is primarily attributable to the absence, compared to the first six months of Fiscal 2026, of cash consideration paid for the TRS Transaction, net of cash acquired, of $181.8 million and a capital contribution of $24.5 million to ICM towards expansion plans in Mexico, partially offset by additional capital expenditures from the ongoing development of the Western Logistics Hub during the first six months of Fiscal 2027.

Cash Flows - Financing Activities

For the first six months of Fiscal 2027, cash flows used in financing activities totalled $645.3 million, compared to $85.6 million generated from financing activities for the first six months of Fiscal 2026. This variance is mainly due to higher number of common shares repurchased under the normal course issuer bid, as well as the repayment of the 1.871% Fixed Rate Notes of $375.0 million, partially offset by the issuance of the 3.940% and the 4.576% Fixed Rate Notes representing $750.0 million, during the first six months of Fiscal 2027. This was compared to proceeds from the issuance of the 3.850% Fixed Rate Notes of $600.0 million during the first six months of Fiscal 2026.

Capital Expenditures

Capital expenditures include additions to property, plant and equipment as well as intangible assets, which mainly relate to investments in information technology projects, transformation projects and new stores.

For the second quarter and first six months of Fiscal 2027, capital expenditures totaled $126.1 million and $238.3 million, respectively, compared to $60.7 million and $106.9 million for the second quarter and first six months of Fiscal 2026. The increase is mainly attributable to higher capital expenditures related to new stores and the ongoing development of the Western Logistics Hub in Canada, as well as capital expenditures from the Australian segment.

Capital Resources

The Corporation expects that its cash flows from operating activities, together with its available liquidity, will be sufficient to meet its projected cash requirements in Fiscal 2027, including to fund its planned growth and capital expenditures, service its debt, pay its contractual obligations, repurchase common shares and make dividend payments to shareholders.

The Corporation’s ability to pay the principal and interest on any portion of its debt, which consists mainly of Fixed Rate Notes as of the date hereof, to refinance or repay at maturity all or any portion thereof, or to generate sufficient funds to meet its future cash requirements will largely depend on its future performance, which to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory, or other factors that are beyond its control. As further described below, any exercise of the put right by Dollarcity’s founding stockholders or any exercise by the Corporation of its Call Option (as hereinafter defined) secured in connection with the Dollarcity Transaction could also impact the foregoing and the Corporation's capital allocation strategy. Refer to the section entitled “Dollarcity” of this MD&A for additional details on the Dollarcity Transaction.

During the second quarter of Fiscal 2027, the Corporation used a portion of the net proceeds of the 3.940% Fixed Rate Notes and the 4.576% Fixed Rate Notes issued in the first quarter of Fiscal 2027 to repay the $375.0 million aggregate principal amount of the Corporation's outstanding 1.871% Fixed Rate Notes, to fund capital expenditure initiatives and for general corporate purposes. The Corporation is in good standing with rating agencies. The Corporation’s expectations regarding its intended use of proceeds and its assumptions with respect to future liquidity needs and refinancing opportunities may be subject to change or not be correct. Refer to the section entitled “Risks and Uncertainties” of this MD&A for a discussion on the risks associated with indebtedness, liquidity and changes in creditworthiness or credit rating.

The Corporation had a positive working capital of $596.8 million as at August 2, 2026, compared to a positive working capital of $361.1 million as at August 3, 2025. This increase is primarily attributable to the fact that no Fixed Rate Notes were due to mature within the next 12 months and included in current liabilities as at August 2, 2026, compared to the 5.084% Fixed Rate Notes of $250.0 million and the 1.871% Fixed Rate Notes of $375.0 million included in current liabilities as at August 3, 2025.

Senior Unsecured Notes

(dollars in thousands) Long-term debt outstanding consists of the following as at:	August 2, 2026 $	February 1, 2026 $
Senior unsecured fixed rate notes (the "Fixed Rate Notes") bearing interest at:		
Fixed annual rate of 4.576% payable in equal semi-annual instalments, maturing April 2, 2036 (the "4.576% Fixed Rate Notes")	375,000	-
Fixed annual rate of 3.940% payable in equal semi-annual instalments, maturing July 25, 2031 (the "3.940% Fixed Rate Notes")	375,000	-
Fixed annual rate of 3.850% payable in equal semi-annual instalments, maturing December 16, 2030 (the "3.850% Fixed Rate Notes")	600,000	600,000
Fixed annual rate of 5.165% payable in equal semi-annual instalments, maturing April 26, 2030 (the "5.165% Fixed Rate Notes")	450,000	450,000
Fixed annual rate of 2.443% payable in equal semi-annual instalments, maturing July 9, 2029 (the "2.443% Fixed Rate Notes")	375,000	375,000
Fixed annual rate of 5.533% payable in equal semi-annual instalments, maturing September 26, 2028 (the "5.533% Fixed Rate Notes")	500,000	500,000
Fixed annual rate of 1.505% payable in equal semi-annual instalments, maturing September 20, 2027 (the "1.505% Fixed Rate Notes")	300,000	300,000
Fixed annual rate of 1.871% payable in equal semi-annual instalments, maturing July 8, 2026 (the "1.871% Fixed Rate Notes")	-	375,000
Unamortized debt issue costs, including $1,446 (February 1, 2026 – $1,300) for the Credit Agreement	(10,735)	(7,992)
Accrued interest on the Fixed Rate Notes	26,167	20,837
Long-term financing arrangement	3,551	3,465
Fair value hedge – basis adjustment on interest rate swap	2,763	8,811
	2,996,746	2,625,121
Current portion (includes unamortized debt issue costs, accrued interest on the Fixed Rate Notes, long-term financing arrangements and the Fixed Rate Notes with a maturity date falling within the next 52-week period, when applicable)	(28,872)	(398,275)
	2,967,874	2,226,846

The table below provides the carrying values and fair values of the Fixed Rate Notes as at August 2, 2026 and February 1, 2026. The fair values of the Fixed Rate Notes were determined as a level 2 in the fair value hierarchy.

	August 2, 2026		February 1, 2026	
(dollars in thousands)	Carrying value $	Fair value $	Carrying value $	Fair value $
Fixed Rate Notes				
4.576% Fixed Rate Notes	378,677	371,985	-	-
3.940% Fixed Rate Notes	373,691	373,890	-	-
3.850% Fixed Rate Notes	600,526	598,626	600,319	607,116
5.165% Fixed Rate Notes	454,925	469,917	454,823	478,751
2.443% Fixed Rate Notes	374,970	364,395	374,860	365,606
5.533% Fixed Rate Notes	507,716	519,540	507,544	528,830
1.505% Fixed Rate Notes	301,373	295,278	301,257	294,495
1.871% Fixed Rate Notes	-	-	375,342	374,048
	2,991,878	2,993,631	2,614,145	2,648,846

Credit Agreement

On June 26, 2026, the Corporation and Dollarama Australia entered into a First Amending Agreement to the Fifth Amended and Restated Credit Agreement with the lenders parties thereto in order to, among other things extend the terms of its credit facilities such that the term of Facility A, in the amount of $250.0 million, was extended from June 27, 2030 to June 26, 2031, the term of Facility B, in the amount of $450.0 million as well as Facility C, in the amount of $50.0 million, were extended from June 27, 2028 to June 26, 2029, the term of Facility D, in the amount of $300.0 million, was extended from June 26, 2026 to July 2, 2027 and Facility E, in the amount of A$75.0 million ($73.9 million), was extended from December 22, 2026 to July 2, 2027.

Under the Credit Agreement, the Corporation may, under certain circumstances and subject to receipt of additional commitments from existing lenders or other eligible institutions, request increases of the facilities (other than Facility E) up to an aggregate amount, together with all then-existing commitments (excluding the Facility E commitments), of $1,500.0 million. The Credit Agreement requires the Corporation to respect a minimum interest coverage ratio and a maximum leverage ratio, each tested quarterly on a consolidated basis. The Corporation has the option to borrow in Canadian, Australian or U.S. dollars under the Credit Agreement, except for Facility E where drawdown is limited to Australian dollars.

The Credit Agreement is guaranteed by Dollarama L.P. and Dollarama GP Inc. (collectively, with the Corporation and Dollarama Australia, the "Credit Parties"). The Corporation and Dollarama Australia are solidarily (jointly and severally) liable for their respective obligations under the Credit Agreement. The Credit Agreement contains restrictive covenants that, subject to certain exceptions, limit the ability of the Credit Parties to, among other things, incur, assume, or permit to exist senior ranking indebtedness or liens, engage in mergers, acquisitions, asset sales or sale leaseback transactions, alter the nature of the business and engage in certain transactions with affiliates. The Credit Agreement also limits the ability of the Credit Parties, in certain circumstances, to make loans, declare dividends and make payments on, or redeem or repurchase equity interests if there exists a default or an event of default thereunder.

As at August 2, 2026 and February 1, 2026, no amount was outstanding under the Credit Agreement and $1,120.3 million (February 1, 2026 – $1,118.8 million) was available under the Credit Agreement, including letters of credit issued for the purchase of inventories which amounted to $3.6 million (February 1, 2026 – $2.3 million). As at August 2, 2026, the Corporation was in compliance with all of its financial covenants under the Credit Agreement.

U.S. Commercial Paper Program

Under the terms of its U.S. commercial paper program (the "U.S. Commercial Paper Program"), the Corporation may issue, from time to time, on a private placement basis in reliance upon exemptions from registration and prospectus requirements under applicable securities legislation, unsecured commercial paper notes with maturities not in excess of 397 days from the date of issue (the "USCP Notes"). The aggregate principal amount of USCP Notes outstanding at any one time under the U.S. Commercial Paper Program may not exceed US$700.0 million. The Corporation uses derivative financial instruments to convert the net proceeds from the issuance of USCP Notes into Canadian dollars and uses those proceeds for general corporate purposes.

The USCP Notes are direct unsecured obligations of the Corporation and rank equally and *pari passu* with all of its other unsecured and unsubordinated indebtedness. The USCP Notes are unconditionally guaranteed by Dollarama L.P. and Dollarama GP Inc., each a wholly-owned subsidiary of the Corporation. The Credit Agreement serves as a liquidity backstop for the repayment of USCP Notes issued under the U.S. Commercial Paper Program.

As at August 2, 2026 and February 1, 2026, no amount was outstanding under the U.S. Commercial Paper Program.

Contractual Obligations, Off-Balance Sheet Arrangements and Commitments

The table below analyzes the Corporation's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows as at August 2, 2026. Trade payable and accrued liabilities exclude liabilities that are not contractual (such as income tax liabilities created as a result of statutory requirements imposed by governments).

(dollars in thousands)	**Less than 3 months**	**3 months to 1 year**	**1-5 years**	**Over 5 years**	**Total**
	$	**$**	**$**	**$**	**$**
Trade payable and accrued liabilities	477,688	-	-	-	477,688
Dividend payable	32,440	-	-	-	32,440
Lease liabilities [(1)]	148,168	352,221	1,490,711	1,501,550	3,492,650
Non-current provisions and other liabilities [(2)]	-	-	271	1,233	1,504
Long-term financing arrangements	-	1,864	1,863	-	3,727
Principal repayment on:					
4.576% Fixed Rate Notes	-	-	-	375,000	375,000
3.940% Fixed Rate Notes	-	-	375,000	-	375,000
3.850% Fixed Rate Notes	-	-	600,000	-	600,000
5.165% Fixed Rate Notes	-	-	450,000	-	450,000
2.443% Fixed Rate Notes	-	-	375,000	-	375,000
5.533% Fixed Rate Notes	-	-	500,000	-	500,000
1.505% Fixed Rate Notes	-	-	300,000	-	300,000
Interest payments on:					
4.576% Fixed Rate Notes	8,580	8,580	68,640	85,800	171,600
3.940% Fixed Rate Notes	-	14,775	59,100	-	73,875
3.850% Fixed Rate Notes	-	23,100	80,850	-	103,950
5.165% Fixed Rate Notes	11,621	11,621	69,728	-	92,970
2.443% Fixed Rate Notes	-	9,161	18,323	-	27,484
5.533% Fixed Rate Notes	13,833	13,833	41,497	-	69,163
1.505% Fixed Rate Notes	2,258	2,258	2,257	-	6,773
	694,588	437,413	4,433,240	1,963,583	7,528,824

(1) Represent basic annual rent and other charges paid to landlords that are fixed or that vary based on an index or a rate.
(2) Represent employee entitlement.

As at August 2, 2026, other than letters of credit outstanding under the Credit Agreement, the Corporation had capital commitments for the acquisition of property, plant and equipment of $81.4 million (February 1, 2026 – $82.4 million), mainly related to the ongoing development of the Western logistics hub.

Financial Instruments

The Corporation uses derivative financial instruments in the management of its foreign exchange, interest rate and price risks. The Corporation documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions. Derivative financial instruments designated as hedging instruments are recorded at fair value, determined using market prices and other observable inputs.

For a description of the derivative financial instruments of the Corporation, refer to Note 13 of the Corporation's unaudited condensed interim consolidated financial statements for the second quarter ended August 2, 2026 and Notes 3 and 17 of the Corporation's Fiscal 2026 annual audited consolidated financial statements.

Foreign Currency Risk

The Corporation uses foreign exchange forward contracts to mitigate the risk associated with fluctuations in the U.S. dollar against the functional currencies of the entities within the Canadian and Australian segments. These derivative financial instruments are designated as hedges of future forecasted purchases of merchandise or hedges of U.S. dollar borrowings converted into Canadian dollar borrowings under the U.S. Commercial Paper Program. Foreign exchange forward contracts are recorded at fair value, determined using market prices and other observable inputs.

Currency hedging entails a risk of illiquidity and, to the extent that the U.S. dollar depreciates against the functional currencies, hedging arrangements may have the effect of limiting or reducing the total returns to the Corporation if purchases at hedged rates result in lower margins than otherwise earned if purchases had been made at spot rates.

Interest Rate Risk

The Corporation uses interest rate swap contracts to mitigate the risk associated with changes in the fair value of its Fixed Rate Notes due to changes in interest rates. These derivative financial instruments are used for risk management purposes and are designated as fair value hedges. Through the use of interest rate swaps, the Corporation receives a fixed rate of interest and pays interest at a variable rate on the notional amount. These derivatives are designated as hedging instruments and are recorded on the consolidated statement of financial position at fair value.

Interest rate hedging also entails a risk of illiquidity and, to the extent that interest rates fluctuate, hedging arrangements may have the effect of limiting or reducing the total returns to the Corporation if the issuance of notes at hedged rates results in lower profitability than otherwise earned if notes had been issued at spot rates.

Price Risk

The Corporation uses equity derivatives to economically hedge a portion of the changes in market prices on the Deferred share unit plan as the recorded amounts of the related liabilities fluctuate with the fair value of the Corporation's shares. These derivatives are not designated as hedging instruments for accounting purposes, and change in fair value is recorded as part of general, administrative and store operating expenses in the interim consolidated statements of net earnings and comprehensive income.

The Corporation reassessed the nature of the risks arising from derivative financial instruments and related risk management and concluded that there were no material changes.

Related Party Transactions

Property Leases

As at August 2, 2026, the Corporation leased 16 stores, five warehouses and its head office from entities related to the Corporation's Chief Executive Officer pursuant to long-term lease agreements. Rental payments associated with these related-party leases are measured at cost, which equals fair value, being the amount of consideration established at market terms.

As at August 2, 2026, the outstanding balance of lease liabilities owed to entities related to the Corporation's Chief Executive Officer totalled $251.9 million (February 1, 2026 – $257.4 million). During the 13-week and 26-week periods ended August 2, 2026, the Corporation expensed $1.7 million and $3.3 million (13-week and 26-week periods ended August 3, 2025 – $1.6 million and $3.3 million), of lease payments charged from entities related to the Corporation's Chief Executive Officer.

Dollarcity

As at August 2, 2026, Dollarama International, a wholly-owned subsidiary of the Corporation, held a 60.1% equity interest in CARS and a 80.05% equity interest in ICM. The relationship between Dollarama International and Dollarcity's founding stockholders is governed by a stockholders agreement (as amended from time to time, the "Stockholders Agreement"), and includes, among other things, the governance terms applicable to CARS, ICM and their respective operations.

Under the terms of the Stockholders Agreement, the Corporation has an option to acquire, at any time on or before December 31, 2027, an additional 9.89% equity interest in CARS and a corresponding 4.945% equity interest in ICM from Dollarcity's founding stockholders (the "Call Option"). Dollarcity's founding stockholders also have a put right pursuant to which they can require, in certain circumstances, that Dollarama International purchase shares of CARS held by them at fair market value (and the corresponding proportionate interests in ICM). This right may be exercised in the ordinary course by Dollarcity's founding stockholders during specified periods, subject to certain transaction size thresholds, required ownership thresholds and freeze and notice periods, among other conditions and restrictions. The put right may also be exercised upon the occurrence of certain extraordinary events, including a change in control of the Corporation and a sale of Dollarcity. The Stockholders Agreement also includes drag-along and tag-along rights in respect of CARS and ICM. The Corporation cannot predict whether the put right will be exercised or, if exercised, when and to what extent it will be exercised (provided that, subject to limited exceptions, the put right can, prior to February 4, 2027, be exercised for up to 14.9% of all shares of CARS outstanding and the corresponding proportionate interests in ICM. In the event that the put is exercised, the consideration payable by the Corporation may, depending on various factors, including those discussed above, be paid using cash on hand or financed in full or in part and, depending on the circumstances, may temporarily impact the Corporation's capital allocation strategy. Refer to the section entitled "Liquidity and Capital Resources" of this MD&A.

The business relationship of Dollarama International and Dollarcity is primarily governed by sourcing, services and other agreements entered into between the parties. The sourcing and services agreements each have an initial term of five years, subject to automatic renewal for successive one-year periods, unless terminated by either party at least 60 days before the close of the then-current term.

Under the sourcing agreements, Dollarcity purchases from the Corporation goods to be sold to customers in the normal course of business. Sales to Dollarcity that were shipped directly from the Corporation's warehouses, as well as the net consideration received for transactions in which the Corporation acts as an intermediary, are included in the Corporation's sales for the Canadian segment.

Under the services agreements and other agreements in place, Dollarcity and the Corporation provide services to each other, including, but not limited to, administrative and corporate services, as well as diverse information technology related matters. Dollarcity also purchases various items from the Corporation such as racking, hardware and software licenses.

The carrying values of assets and liabilities resulting from transactions entered into with Dollarcity in connection with the aforementioned agreements are as follows:

	As at	
(dollars in thousands)	**August 2, 2026 $**	**February 1, 2026 $**
Included in the Consolidated Statement of Financial Position		
Accounts receivable	38,020	26,471
Accounts payable and accrued liabilities	4,527	10,862

Transactions entered into with Dollarcity in connection with the aforementioned agreements during the 13-week and 26-week periods ended on the dates indicated below are as follows:

	13-week periods ended		26-week periods ended	
(dollars in thousands)	**August 2, 2026** **$**	**August 3, 2025** **$**	**August 2, 2026** **$**	**August 3, 2025** **$**
Included in the Consolidated Statement of Net Earnings and Comprehensive Income				
Sales [(1)]	5,128	7,209	7,511	12,978

(1) Includes the net consideration received for sales in which the Corporation acts as an intermediary, as well as gross proceeds generated from sales shipped directly from the Corporation's warehouses.

Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to make estimates and assumptions using judgment that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses during the reporting period. Estimates and other judgments are continually evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates. The Corporation's unaudited condensed interim consolidated financial statements have been prepared using the critical accounting estimates and judgments as outlined in Note 5 to the Fiscal 2026 audited consolidated financial statements.

Significant Standards and Interpretations

IFRS 18, "Presentation and Disclosure in Financial Statements" ("IFRS 18")

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, mainly the income statement where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. IFRS 18 will require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Corporation is currently assessing the impact of the new standard on its consolidated financial statements, with initial adoption in the condensed interim consolidated financial statements for the 13-week period ending May 2, 2027.

Non-GAAP and Other Financial Measures

The Corporation's unaudited condensed interim consolidated financial statements and notes for the second quarter of Fiscal 2027 have been prepared in accordance with GAAP. However, this MD&A also refers to certain non-GAAP and other financial measures.

We have included certain non-GAAP and other financial measures in our financial documents to provide investors with supplemental measures of the Corporation's operating and financial performance. The Corporation uses the following non-GAAP and other financial measures and ratios: EBITDA, total debt, net debt, adjusted retained earnings, adjusted net debt to EBITDA ratio, EBITDA margin, Gross margin, Operating margin, SG&A as a percentage of sales, Comparable store sales and Comparable store sales growth. We believe that such measures are important supplemental metrics of operating and financial performance because they eliminate items that have less bearing on our operating and financial performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on GAAP measures. We also believe that securities analysts, investors and other interested parties frequently use non-GAAP and other financial measures in the evaluation of issuers. Our management also uses non-GAAP and other financial measures to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets, and to assess their ability to meet the Corporation's future debt service, capital expenditure and working capital requirements.

The majority of these measures are used to bridge differences between external reporting under GAAP and external reporting that is tailored to the retail industry, and should not be considered in isolation or as a substitute for financial performance measures calculated in accordance with GAAP.

The below-described non-GAAP and other financial measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers.

(A) Non-GAAP Financial Measures

EBITDA

EBITDA represents net earnings plus income taxes, net financing costs and depreciation and amortization and includes the Corporation's share of net earnings of its equity-accounted investments. Management believes EBITDA measure represents a supplemental metric to assess the operational profitability of the underlying core operations. The Corporation also calculates EBITDA excluding unrealized gain from derivative on equity-accounted investments, in order to exclude the impact of the Call Option, as it does not reflect ongoing operations of the Corporation and should not, in management's view, be considered in a long-term assessment of the operational profitability of the underlying core operations of the Corporation. A reconciliation of net earnings to EBITDA is included below:

	13-week periods ended		**26-week periods ended**	
(dollars in thousands)	**August 2, 2026 $**	**August 3, 2025 $**	**August 2, 2026 $**	**August 3, 2025 $**
Net earnings	349,315	321,498	651,589	595,254
Add:				
Income taxes	116,851	118,809	213,536	200,225
Net financing costs	51,173	43,169	100,907	87,129
Depreciation and amortization	135,688	105,000	269,501	202,039
EBITDA	**653,027**	**588,476**	**1,235,533**	**1,084,647**
Unrealized gain from derivative on equity-accounted investments	-	-	(16,448)	(10,348)
EBITDA excluding unrealized gain from derivative on equity-accounted investments	**653,027**	**588,476**	**1,219,085**	**1,074,299**
A reconciliation of EBITDA to cash flows from operating activities is included below:				
EBITDA	653,027	588,476	1,235,533	1,084,647
Add:				
Current income taxes	(129,728)	(112,212)	(219,719)	(186,019)
Share-based compensation	3,779	3,746	7,710	7,194
Unrealized gain from derivative on equity-accounted investments	-	-	(16,448)	(10,348)
Share of net earnings of equity-accounted investments	(49,883)	(38,330)	(101,121)	(78,642)
Interest received	9,762	6,503	17,608	10,690
Other	(9,728)	1,775	(6,481)	2,807
	477,229	449,958	917,082	830,329
Changes in non-cash working capital components	121,059	(22,735)	64,129	(87,490)
Cash flows generated from operating activities	**598,288**	**427,223**	**981,211**	**742,839**

Total debt

Total debt represents the sum of long-term debt (including unamortized debt issue costs, accrued interest and fair value hedge – basis adjustment), short-term borrowings under the U.S. Commercial Paper Program, long-term financing arrangements and other bank indebtedness, including the Credit Agreement. Management believes Total debt is a measure that is useful to facilitate the understanding of the Corporation's corporate financial position in relation to its financing obligations. A reconciliation of long-term debt to total debt is included below:

(dollars in thousands)	As at	
	August 2, 2026 $	**February 1, 2026 $**
Total long-term debt	2,996,746	2,625,121
Short-term borrowings	-	-
Total debt	**2,996,746**	**2,625,121**

Net debt

Net debt represents total debt minus cash and cash equivalents. Management believes Net debt represents a useful additional measure to assess the financial position of the Corporation by showing all of the Corporation's financing obligations, net of cash and cash equivalents. A reconciliation of total debt to net debt is included below:

(dollars in thousands)	As at	
	August 2, 2026 $	**February 1, 2026 $**
Total debt	2,996,746	2,625,121
Cash and cash equivalents	(479,739)	(331,569)
Net debt	**2,517,007**	**2,293,552**

Adjusted retained earnings

Adjusted retained earnings represents retained earnings plus the excess of (i) the price paid for all common shares repurchased under the Corporation's normal course issuer bids from inception in June 2012 through August 2, 2026 over the book value of those common shares and (ii) the price paid for performance share units' settlement over the cost basis of the units. A reconciliation of retained earnings to adjusted retained earnings is included below:

(dollars in thousands)	As at	
	August 2, 2026 $	**February 1, 2026 $**
Retained earnings	71,364	128,858
Price paid in excess of book value of common shares repurchased under the NCIB	8,662,436	8,027,091
Price paid in excess of cost basis of performance share units' settlement	8,674	8,597
Adjusted retained earnings	**8,742,474**	**8,164,546**

The retained earnings is reduced by the amount paid in excess of book value for the shares repurchased under the Corporation's normal course issuer bid, and as a result, the retained earnings balance does not reflect the Corporation's operating performance. Management believes that buying back shares remains an effective strategy to drive shareholder value and constitutes an appropriate use of the Corporation's funds. Management also believes that adjusted retained earnings represents an additional metric that provides a better reflection of the Corporation's operating performance.

(B) Non-GAAP Ratios

Adjusted net debt to EBITDA ratio

Adjusted net debt to EBITDA ratio is a ratio calculated using adjusted net debt over consolidated EBITDA for the last twelve months. Management uses this ratio to partially assess the financial condition of the Corporation. An increasing ratio would indicate that the Corporation is utilizing more debt per dollar of EBITDA generated. A calculation of adjusted net debt to EBITDA ratio is included below:

(dollars in thousands)	As at	
	August 2, 2026	**February 1, 2026**
	$	**$**
Net debt	2,517,007	2,293,552
Lease liabilities	2,909,442	2,770,473
Unamortized debt issue costs, including $1,446 (February 1, 2026 – $1,300) for the Credit Agreement	10,735	7,992
Fair value hedge – basis adjustment on interest rate swap	(2,763)	(8,811)
Adjusted net debt	**5,434,421**	**5,063,206**
EBITDA for the last twelve-month period [1]	2,559,112	2,445,987
Adjusted net debt to EBITDA ratio	**2.12x**	**2.07x**

(1) For the period ended February 1, 2026, this amount corresponds to the EBITDA of the Corporation for the last twelve months, which was equal to $2,408,226 and includes the results of Dollarama Australia from July 22, 2025 to February 1, 2026, plus the EBITDA of Dollarama Australia for the period between February 3, 2025 until closing of the TRS Transaction on July 21, 2025 (as calculated and reported by Dollarama Australia), which was equal to $37,761.

EBITDA margin

EBITDA margin represents EBITDA divided by sales. Management believes that this measure is useful in assessing the performance of ongoing operations and efficiency of operations relative to its sales. The Corporation also calculates EBITDA margin excluding unrealized gain from derivative on equity-accounted investments, in order to exclude the impact of the Call Option, as it does not reflect ongoing operations of the Corporation and should not, in management's view, be considered in a long-term assessment of the operational profitability of the underlying core operations of the Corporation. A reconciliation of EBITDA to EBITDA margin is included below:

	13-week periods ended		26-week periods ended	
(dollars in thousands)	**August 2, 2026**	**August 3, 2025**	**August 2, 2026**	**August 3, 2025**
	$	**$**	**$**	**$**
EBITDA	653,027	588,476	1,235,533	1,084,647
Sales	2,026,645	1,723,838	3,872,734	3,245,048
EBITDA margin	**32.2%**	**34.1%**	**31.9%**	**33.4%**
EBITDA excluding unrealized gain from derivative on equity-accounted investments	653,027	588,476	1,219,085	1,074,299
Sales	2,026,645	1,723,838	3,872,734	3,245,048
EBITDA margin, excluding unrealized gain from derivative on equity-accounted investments	**32.2%**	**34.1%**	**31.5%**	**33.1%**

(C) Supplementary Financial Measures

Gross margin	Represents gross profit divided by sales, expressed as a percentage of sales.
Operating margin	Represents operating income divided by sales, expressed as a percentage of sales.
SG&A as a % of sales	Represents SG&A divided by sales.
Comparable store sales	Represents sales of stores, including relocated and expanded stores, open for at least 13 complete fiscal months relative to the equivalent period in the prior fiscal year.
Comparable store sales growth	Represents the percentage increase or decrease, as applicable, of Comparable store sales relative to the equivalent period in the prior fiscal year.

Forward-Looking Statements

Certain statements in this MD&A about our current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Specific forward-looking statements in this MD&A include, but are not limited to, statements with respect to: the Corporation's lease rates; the Corporation's capital allocation strategy; the liquidity position of the Corporation; the potential accretive effect of the normal course issuer bid; the impact of minimum wage increases on administrative and store operating expenses; Dollarcity and certain terms and conditions of the Stockholders Agreement ; the evaluation and implementation of strategies to optimize and deploy attributes of the Dollarama business model in Australia over the coming years.

Forward-looking statements are based on information currently available to management and on estimates and assumptions made by management regarding, among other things, general economic and geopolitical conditions and the competitive environment within the retail industry in Canada, Latin America and Australia, in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including the following factors which are outlined in this MD&A and discussed in greater detail in the "Risks and Uncertainties" sections of both this MD&A and the Corporation's annual MD&A for Fiscal 2026, available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.dollarama.com: future increases in operating costs (including increases in statutory minimum wages), future increases in merchandise costs (including as a result of rising raw material costs and tariff disputes), future increases in shipping, transportation and other logistics costs (including as a result of freight costs, fuel price increases and detention costs), increase in the cost or a disruption in the flow of imported goods (including as a result of global supply chain disruptions and the geopolitical instability triggered by the increased tensions between China and the Western countries), inability to sustain assortment and replenishment of merchandise, failure to maintain brand image and reputation, inventory shrinkage, disruption of distribution infrastructure, inability to increase warehouse, distribution centre and logistics hubs capacity in a timely manner, inability to enter into or renew, as applicable, store and warehouse leases on favourable and competitive terms, seasonality, market acceptance of private brands, failure to protect trademarks and other proprietary rights, foreign operations (including international operations in Australia and, through the Corporation's equity accounted investments in Dollarcity, in El Salvador, Guatemala, Colombia, Peru, Mexico and Panama), foreign exchange rate fluctuations, potential losses associated with using derivative financial instruments, interest rate risk associated with variable rate indebtedness, level of indebtedness and inability to generate sufficient cash to service debt, any exercise by Dollarcity's founding stockholders of their put right, changes in creditworthiness and credit rating and the potential increase in the cost of capital, increases in taxes and changes in applicable tax laws or the interpretation thereof, competition in the retail industry (including from online retailers), general economic conditions, competition from online retailers and growth of e-commerce, departure of senior executives, failure to attract and retain quality employees, disruption in information technology systems, inability to protect systems against cyber attacks, unsuccessful execution of the growth strategy (including failure to identify and develop new growth opportunities in Canada and internationally), the Corporation's inability to successfully integrate Dollarama Australia's business, any failure to realize anticipated benefits from the acquisition of Dollarama Australia, the holding company structure, adverse weather, earthquakes and other natural disasters, geopolitical events and political unrest in foreign countries, pandemic or epidemic outbreaks, unexpected costs associated with current insurance programs, regulatory environment, product liability claims and product recalls, class action lawsuits and other litigation, environmental compliance, climate change, and shareholder activism.

These factors are not intended to represent a complete list of the factors that could affect the Corporation, and its subsidiaries or Dollarcity; however, they should be considered carefully. The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Corporation's and Dollarcity's financial performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this MD&A are made as at September 16, 2026 and management has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

All of the forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

Risks and Uncertainties

Monitoring and improving its operations are constant concerns of the Corporation. In view of this, understanding and managing risks are important parts of the Corporation's strategic planning process.

The key risks and uncertainties identified by the Corporation that could materially adversely affect its future business results are described in the Corporation's annual MD&A for Fiscal 2026 (which is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.dollarama.com) and are divided into the following categories:

- risks related to business operations;
- financial risks;
- market risks;
- human resources risks;
- technology risks;
- strategy and corporate structure risks;
- business continuity risks; and
- legal and regulatory risks.

The Corporation manages these risks on an ongoing basis and has put in place certain guidelines with the goal of mitigating these in order to lessen their impact, and the Corporation maintains cost-effective, comprehensive insurance coverage against most insurable events. The Corporation also gathers and analyzes economic, competitive and other financial and operational data on a regular basis and senior management takes these findings into consideration when making strategic and operational decisions. Despite these guidelines and initiatives, the Corporation cannot provide assurances that any such efforts will be successful.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

There were no changes in internal control over financial reporting that occurred during the period beginning on February 2, 2026 and ended on August 2, 2026 that have materially affected, or are reasonably likely to materially affect internal control over financial reporting.

Dividend

On September 16, 2026, the Corporation announced that its board of directors approved a quarterly cash dividend for holders of common shares of $0.1200 per common share. This dividend is payable on November 6, 2026 to shareholders of record at the close of business on October 9, 2026. The dividend is designated as an "eligible dividend" for Canadian tax purposes.

The payment of each quarterly dividend remains subject to the declaration of that dividend by the board of directors. The actual amount of each quarterly dividend, as well as each declaration date, record date and payment date are subject to the discretion of the board of directors.

Normal Course Issuer Bid

On July 3, 2026, the Corporation announced the renewal of its 2026-2027 NCIB and the approval from the TSX to repurchase up to 13,532,086 of its common shares, representing 5.0% of the issued and outstanding common shares of the Corporation as at June 30, 2026, during the 12-month period from July 7, 2026 to July 6, 2027. All common shares purchased pursuant to the normal course issuer bid will either be cancelled or placed in trust to facilitate the holding and administering of common shares that may be purchased by the Corporation to hedge its exposure in respect of grants made under its performance share unit plan, including to settle the Corporation's obligations under such plan.

During the second quarter of Fiscal 2027, 1,596,016 common shares were repurchased for cancellation under the 2026-2027 NCIB and the normal course issuer bid previously in effect, for a total cash consideration of $300.4 million, representing a weighted average price of $188.23 per share, excluding the applicable tax on share repurchases.

During the first six months of Fiscal 2027, 3,558,026 common shares were repurchased for cancellation under the 2026-2027 NCIB and the normal course issuer bid previously in effect, for a total cash consideration of $639.5 million, representing a weighted average price of $179.74 per share, excluding the applicable tax on share repurchases.

Share Information

The Corporation’s outstanding share capital is comprised of common shares. An unlimited number of common shares are authorized.

On September 16, 2026, there were 268,568,132 common shares issued and outstanding, including 198,622 shares repurchased and held in trust as treasury shares. In addition, there were 1,881,074 options, each exercisable for one common share, issued and outstanding as at September 16, 2026. Assuming exercise of all outstanding options, there would have been 270,449,206 common shares issued and outstanding on a fully diluted basis as at September 16, 2026.

Additional Information

Additional information relating to the Corporation, including the Corporation’s current annual information form, is available on SEDAR+ at www.sedarplus.ca. The Corporation is a publicly traded company listed on the TSX under the symbol “DOL”.