MANAGEMENT'S DISCUSSION AND ANALYSIS

November 5, 2026

The following management's discussion and analysis ("MD&A") of Cineplex Inc.'s ("Cineplex") financial condition and results of operations should be read together with the consolidated financial statements and related notes (see Section 1, Overview of Cineplex). These financial statements, presented in Canadian dollars, were prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting.

Unless otherwise specified, all information in this MD&A is as of September 30, 2026 and all amounts are in Canadian dollars.

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Non-GAAP and Other Financial Measures

Cineplex reports on certain non-GAAP measures, non-GAAP ratios, supplementary financial measures, and total segment measures that are used by management to evaluate Cineplex's performance. In addition, non-GAAP measures are used in assessing compliance with debt covenants. Non-GAAP measures do not have a standardized meaning under GAAP and may not be comparable to similar measures provided by other issuers. Cineplex includes these measures because management believes that they assist investors in assessing financial performance. The definition, calculation and reconciliation of non-GAAP measures are provided in Section 16 Non-GAAP and other financial measures.

Forward-Looking Statements

Certain information included in this MD&A contains forward-looking statements within the meaning of applicable securities laws. These forward-looking statements include, among others, statements with respect to Cineplex's objectives and goals, and the strategies to achieve these objectives and goals, as well as statements with respect to Cineplex's beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and "continue" (or the negatives thereof), and words and expressions of similar import, are intended to identify forward-looking statements.

*By their very nature, forward-looking statements involve inherent risks and uncertainties, including those described in Cineplex's Annual Information Form ("**AIF**") and in Cineplex's management's discussion and analysis for the year ended December 31, 2025 (the "**Annual MD&A**") and in this MD&A. These risks and uncertainties, both general and specific, give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved.*

Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Cineplex cautions readers not to place undue reliance on these statements as a number of important factors, many of which are beyond Cineplex's control, could cause actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, Cineplex's expectations with respect to liquidity and capital expenditures, including its ability to meet its ongoing capital, operating and other obligations, and anticipated needs for, and sources of, funds; Cineplex's ability to execute cost-cutting and revenue enhancement initiatives in response to adverse economic conditions; competition from alternative forms of entertainment and content delivery via streaming and other formats; any acquisition of a motion picture distributor which may reduce the amount of onscreen content; any reduction in the length of theatrical release windows; the impacts of any pandemic, epidemic, natural disaster, governmental restrictions, strikes or the inability to procure materials and supplies; information concerning future purchases of Common Shares under Cineplex's normal course issuer bid; the outcome of the Strategic Review (as defined below); the outcome of the litigation with respect to Cineplex's online booking fee (described in further detail in the Annual MD&A); and risks generally encountered in the relevant industry, competition, customer, legal, taxation and accounting matters.

The foregoing list of factors that may affect future results is not exhaustive. When reviewing Cineplex's forward-looking statements, readers should carefully consider the foregoing factors and other uncertainties and potential events, including possible consequences of future epidemics, pandemics or changes in political or economic conditions. Additional information about factors that may cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the "Risks and Uncertainties" section of the Annual MD&A.

Cineplex does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable Canadian securities law. Additionally, Cineplex undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Cineplex, its financial or operating results or its securities. All forward-looking statements in this MD&A are made as of the date hereof and are qualified by these cautionary statements. Additional information, including Cineplex's AIF and Annual MD&A, can be found on SEDAR+ at www.sedarplus.ca.

1. OVERVIEW OF CINEPLEX

Cineplex (TSX:CGX) is a top-tier Canadian brand that operates in the Film Entertainment and Content, Amusement and Leisure, and Media sectors. Cineplex offers a unique escape from the everyday to millions of guests through its circuit of 169 movie theatres and location-based entertainment venues. In addition to being Canada's largest and most innovative film exhibitor, the company operates Canada's favourite destination for 'Eats & Entertainment' (The Rec Room), complexes specially designed for teens and families (Playdium), and an entertainment concept that brings movies, amusement gaming, dining, and live performances together under one roof (Cineplex Junxion). It also operates successful businesses in cinema media (Cineplex Media), alternative programming (Cineplex Events) and motion picture distribution (Cineplex Pictures). Providing even more value for its guests, Cineplex is a partner in Scene+, Canada's largest entertainment and lifestyle loyalty program.

Proudly recognized as having one of the country's Most Admired Corporate Cultures, Cineplex employs over 10,000 people in its offices and venues across Canada.

As of September 30, 2026, Cineplex operates 1,595 screens in 152 theatres from coast to coast as well as 17 location-based entertainment venues in seven provinces.

Cineplex

Theatre locations and screens at September 30, 2026

Province	Locations (i)	Screens	UltraAVX	IMAX Screens (ii)	VIP Auditoriums	D-BOX Auditoriums	Recliner Auditoriums	Other Screens (iii)
Ontario	65	704	44	14	48	49	121	14
Quebec	18	218	10	3	9	10	22	4
British Columbia	23	232	15	5	20	15	43	4
Alberta	18	195	19	3	16	16	93	7
Nova Scotia	9	80	1	1	—	2	—	1
Saskatchewan	6	54	5	—	3	4	18	1
Manitoba	5	49	3	1	3	4	16	1
New Brunswick	4	36	2	1	—	2	10	—
Newfoundland & Labrador	2	14	—	1	—	1	—	—
Prince Edward Island	2	13	—	—	—	1	—	—
TOTALS	**152**	**1,595**	**99**	**29**	**99**	**104**	**323**	**32**
Percentage of screens			6 %	2 %	6 %	7 %	20 %	2 %

(i) Includes *Junxion* theatres in Manitoba and Ontario.

(ii) All IMAX screens are 3D enabled. Total 3D screens including IMAX screens are 813 screens or 51% of the circuit.

(iii) Other screens includes 7 4DX screens, 5 *Cineplex Clubhouse* screens and 20 ScreenX screens.

Cineplex - Theatres, screens and premium offerings in the last eight quarters

	2026			2025				2024
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Theatres	152	152	153	154	155	155	156	156
Screens	1,595	1,595	1,600	1,606	1,607	1,607	1,617	1,617
UltraAVX Screens	99	98	98	98	96	96	96	96
IMAX Screens	29	29	29	29	29	29	29	29
VIP Auditoriums	99	99	99	99	99	99	99	99
D-BOX Auditoriums	104	104	103	103	102	102	101	101
Recliner Auditoriums	323	318	318	318	316	316	316	315
Other Screens	32	32	32	32	32	32	32	32

Cineplex - LBE - at September 30, 2026 and 2025	2026		2025	
Province	***The Rec Room***	***Playdium***	***The Rec Room***	***Playdium***
Ontario	4	4	4	3
Quebec	1	—	1	—
Alberta	3	—	3	—
Manitoba	1	—	1	—
Newfoundland & Labrador	1	—	1	—
British Columbia	2	—	2	—
Nova Scotia	—	1	—	1
TOTALS	**12**	**5**	**12**	**4**

Sale of Cineplex digital place-based media business

On October 16, 2025, Cineplex Entertainment Limited Partnership ("CELP") announced that it had entered into a definitive agreement to sell 100% of the issued and outstanding shares of DDC Group International Inc., which operates the digital place-based media division through its wholly owned subsidiary, Cineplex Digital Media Inc. ("CDM"), for cash proceeds of $70.0 million subject to customary post-closing adjustments (the "CDM Sale Transaction"). The CDM Sale Transaction closed on November 7, 2025. The proceeds from the CDM Sale Transaction will be used for share repurchases under Cineplex's normal course issuer bid announced on August 22, 2025 (the "NCIB"), debt reduction and for general corporate purposes, subject to certain restrictions under Cineplex's current debt agreements (see Section 6.4 Long-term debt). As part of the CDM Sale Transaction, Cineplex entered into a five-year agreement to continue as CDM's exclusive advertising sales agent for CDM operated digital-out-of-home networks across Canada. Cineplex recognized a gain of $3.3 million, net of income taxes in connection with the sale of CDM during the fourth quarter of 2025.

Competition Tribunal Administrative Monetary Penalty

On September 23, 2024, the Competition Tribunal ordered Cineplex to pay an administrative monetary penalty and costs of $39.2 million. The amount was accrued in 2024 and presented separately on the statement of operations and balance sheet.

On October 23, 2024, Cineplex filed its Notice of Appeal with the Federal Court of Appeal and, with the Competition Bureau's consent, was granted a stay regarding payment of the Competition Tribunal's $39.2 million administrative monetary penalty pending the Federal Court of Appeal's decision. The appeal was heard on October 8, 2025.

On January 23, 2026, the Federal Court of Appeal upheld the decision of the Competition Tribunal, including the $39.2 million administrative monetary penalty and costs. On March 23, 2026, Cineplex filed its application seeking leave to appeal to the Supreme Court of Canada and, with the Competition Bureau's consent, was granted an interim stay regarding payment of the administrative monetary penalty and costs pending the Supreme Court of Canada's decision on Cineplex's application seeking leave to appeal.

The order and Cineplex's response are discussed in more detail in Section 13 Risks and uncertainties.

1.2 FINANCIAL HIGHLIGHTS

Financial highlights	Third Quarter			Year to Date		
(in thousands of dollars, except theatre attendance in thousands of patrons and per share and per patron amounts)	2026	2025	Change (i)	2026	2025	Change (i)
Total revenues	$ 440,199	$ 348,938	26.2%	$1,114,906	$ 949,998	17.4%
Theatre attendance	14,833	12,054	23.1%	37,341	32,029	16.6%
Net income (loss) from continuing operations	$ 23,829	$ 1,365	NM	$ 9,242	$ (33,622)	NM
Net loss from discontinued operations, including gain on disposition	$ —	$ (154)	-100.0%	$ —	$ (3,980)	-100.0%
Net income (loss)	$ 23,829	$ 1,211	NM	$ 9,242	$ (37,602)	NM
Cash provided by continuing operating activities	$ 57,125	$ 26,760	113.5%	$ 116,793	$ 45,471	156.9%
Box office revenues per patron ("BPP") (ii)	$ 14.54	$ 13.23	9.9%	$ 13.91	$ 13.11	6.1%
Concession revenues per patron ("CPP") (ii)	$ 9.99	$ 9.65	3.5%	$ 9.96	$ 9.66	3.1%
Adjusted EBITDA (iii)	$ 111,528	$ 73,048	52.7%	$ 238,054	$ 177,578	34.1%
Adjusted EBITDAaL (iii)	$ 70,731	$ 33,332	112.2%	$ 115,654	$ 56,508	104.7%
Adjusted EBITDAaL from discontinued operations (iii)	$ —	$ 471	-100.0%	$ —	$ (87)	-100.0%
Adjusted EBITDAaL including discontinued operations (iii)	$ 70,731	$ 33,803	109.2%	$ 115,654	$ 56,421	105.0%
Adjusted EBITDAaL margin from continuing operations (iv)	16.1 %	9.6 %	6.5%	10.4 %	5.9 %	4.5%
Adjusted free cash flow (iii)	$ 52,914	$ 15,504	241.3%	$ 67,902	$ 6,780	NM
Adjusted free cash flow per share (iv)	$ 0.840	$ 0.244	244.3%	$ 1.078	$ 0.107	NM
Earnings (loss) per share from continuing operations - basic	$ 0.38	$ 0.02	NM	$ 0.15	$ (0.53)	NM
Earnings (loss) per share from discontinued operations - basic	$ —	$ —	NM	$ —	$ (0.06)	-100.0%
Earnings (loss) per share - basic	$ 0.38	$ 0.02	NM	$ 0.15	$ (0.59)	NM
Earnings (loss) per share from continuing operations - diluted	$ 0.34	$ 0.02	NM	$ 0.15	$ (0.53)	NM
Earnings (loss) per share from discontinued operations - diluted	$ —	$ —	NM	$ —	$ (0.06)	-100.0%
Earnings (loss) per share - diluted	$ 0.34	$ 0.02	NM	$ 0.15	$ (0.59)	NM

(i) Throughout this MD&A, changes in percentage amounts are calculated as 2026 value less 2025 value.

(ii) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.

(iii) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.

(iv) Represents a non-GAAP ratio. See Section 16 Non-GAAP and other financial measures.

Total revenues for the third quarter of 2026 were an all-time quarterly record of $440.2 million, an increase of 26.2% or $91.3 million, compared to the prior year period of $348.9 million. The increase was primarily driven by an increase in attendance.

Adjusted EBITDAaL for the third quarter of 2026 increased by 112.2%, or $37.4 million to $70.7 million, compared to $33.3 million in the prior year period. This increase was primarily driven by an increase in attendance.

1.3 KEY DEVELOPMENTS IN THE THIRD QUARTER OF 2026

The following describes certain key business initiatives undertaken and results achieved during the third quarter of 2026 in each of Cineplex's core business areas:

FILM ENTERTAINMENT AND CONTENT

Theatre Exhibition

- Reported an all-time quarterly record in the third quarter for box office revenues of $215.7 million, an increase of $56.2 million or 35.2% from $159.5 million in the prior year period due to a 23.1% increase in attendance as a result of a strong film slate during the quarter, including *Spider-Man: Brand New Day* and *The Odyssey*.
- Reported an all-time quarterly record BPP of $14.54 in the third quarter, an increase of $1.31 or 9.9% compared to the prior year period of $13.23. The increase was primarily driven by premium priced products, which accounted for 51.4% of total box office revenues, a third quarter record.
- Enhanced the theatre circuit at *Galaxy Cinemas Waterloo* in Waterloo, Ontario with a retrofit to all recliner seating at five auditoriums, with one auditorium upgraded to an UltraAVX auditorium.

Theatre Food Service and Other

- Reported an all-time quarterly record for theatre food service revenues in the third quarter of $148.1 million, an increase of $31.8 million or 27.3% compared to the prior year period, primarily due to an increase in attendance.
- Reported a third quarter record CPP of $9.99, an increase of $0.34 or 3.5% compared to the prior year period, primarily due to growth in value programs and initiatives, and an increase in merchandise sales.

Alternative Programming and Distribution

- Cineplex Pictures (Cineplex's distribution business) distributed *Mutiny* during the third quarter and re-released the complete *Hunger Games* film series in anticipation of the upcoming *The Hunger Games: Sunrise on the Reaping*, along with anniversary re-releases of *Ghost in the Shell* and *La La Land*.
- Continued its leadership position in alternative programming, with strong performing international films including *Mirzapur* (Hindi), *Yaar Jigree Kasooti Degree* (Punjabi), for which Cineplex represented over 85% of the North American box office, *Hope* (Korean), and *All Wishes Come True!* (Mandarin).
- Event Cinema programming featured a variety of successful initiatives, highlighted by live stage recordings of *HADESTOWN: THE MUSICAL* and *SIX: THE MUSICAL LIVE!,* classic anime titles including *Your Name*, and the music documentary *KATSEYE: WILD HEARTS*.
- Cineplex, in partnership with TSN, screened select FIFA World Cup 2026 matches live in participating theatres.

CINEMA MEDIA

- Reported third quarter cinema media revenues of $19.1 million, a decrease of $0.1 million or 0.4% from the prior year period.

LOCATION-BASED ENTERTAINMENT

- Reported third quarter revenues of $34.0 million, a decrease of $0.6 million or 1.7% compared to the prior year period.
- Reported third quarter adjusted store level EBITDAaL of $6.1 million, an increase of 4.6% compared to the prior year period.

LOYALTY

- Membership in the Scene+ loyalty program reached 16 million members as at September 30, 2026.

CORPORATE

- On September 23, 2026, Cineplex appointed Bill Walker as Chief Executive Officer.
- The board of directors of Cineplex (the "Board") also initiated a review of strategic alternatives (the "Strategic Review") to evaluate opportunities to enhance and maximize value for all shareholders, including, but not limited to, a potential sale of Cineplex. The Board has engaged Goldman Sachs and TD Securities as co-financial advisors in connection with the Strategic Review.
- Ellis Jacob will serve as a special adviser to the Board through December 31, 2026, working closely with the Board, management team, and Cineplex's advisors in connection with the review and assessment of strategic alternatives available to Cineplex.
- Cineplex renewed its NCIB on August 24, 2026, authorizing the repurchase and cancellation of up to 6.3 million common shares (the "Common Shares"), representing 10% of its public float outstanding as of August 14, 2026.
- On September 5, 2026, and September 6, 2026, Cineplex offered general admission movie tickets and a small bag of popcorn for $5 each plus tax, and donated a portion of the proceeds to Canadian Picture Pioneers.

2. CINEPLEX'S BUSINESS AND STRATEGY

Cineplex's mission statement is "Passionately delivering exceptional experiences." All of Cineplex's efforts are focused on this mission and its goal to consistently provide guests and customers with exceptional experiences.

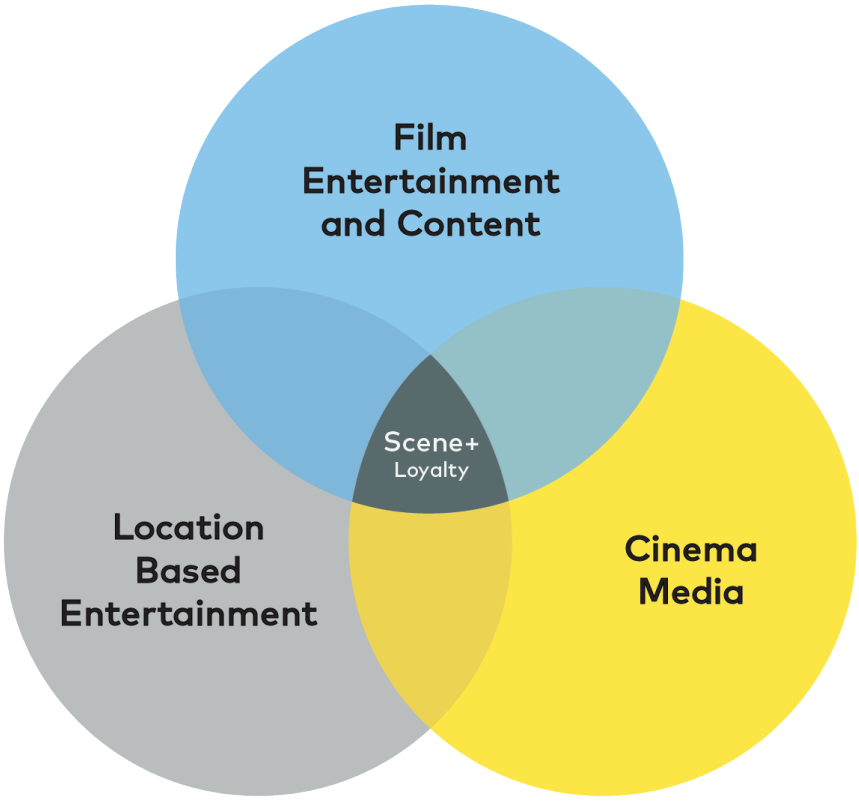
Cineplex's current operations are primarily conducted in three main areas: film entertainment and content, media, and location-based entertainment, all supported by the Scene+ loyalty program.

Cineplex's key strategic areas of focus include:

- Strengthening Cineplex's position as a leading entertainment company in Canada;
- Driving growth in its Cinema Media business for Cineplex owned assets and represented networks;
- Developing and scaling amusement and leisure concepts through its Location Based Entertainment brands and theatre locations;
- Driving value within businesses by leveraging opportunities to optimize value, realize synergies and implement customer-centric technology, while also leveraging its loyalty and data platforms across Cineplex's ecosystems; and
- Maintaining a disciplined approach to growth and capital allocation aligned with Cineplex's core strengths.

Cineplex uses the Scene+ loyalty program and database as a strategic asset to link these areas of focus and drive customer acquisition and spending across all lines of business.

Diversified Entertainment and Media Company



Key elements of Cineplex's corporate strategy include going beyond movies to reach customers in new ways and maximizing revenue per patron. Cineplex has implemented in-theatre initiatives to improve the overall entertainment experience, including increased premium offerings, enhanced in-theatre services, alternative pricing strategies, continued development of the Scene+ loyalty and CineClub subscription programs, and initiatives in theatre food service such as optimizing and adding product offerings including merchandise, mobile food and beverage ordering, and improving service execution. The ultimate goal of these in-theatre customer service initiatives is to maximize revenue per patron and increase the frequency of movie-going at Cineplex's theatres.

While box office revenues (which include alternative programming) typically account for the largest portion of Cineplex's revenues, Cineplex has diversified its revenue streams through expanded theatre food service offerings, cinema media, location-based entertainment, Cineplex Pictures, and other revenue streams.

3. OVERVIEW OF OPERATIONS

Revenues

Cineplex generates revenues primarily from box office and food service sales. These revenues are affected primarily by theatre attendance levels and by changes in BPP and CPP. Box office revenue represented 49.0% of total revenue in the third quarter of 2026.

The following table presents the revenue mix for comparative periods:

Revenue mix % by period	Q3 2026	Q3 2025	Q3 2024 (Section 1) (i)	Q3 2023 (Section 1) (i)	Q3 2022 (Section 1) (i)
Box office	**49.0 %**	45.7 %	45.7 %	46.5 %	43.9 %
Food service	**36.8 %**	37.3 %	37.5 %	36.1 %	37.0 %
Media	**4.3 %**	5.5 %	4.7 %	4.8 %	5.3 %
Amusement	**5.8 %**	7.4 %	6.3 %	6.5 %	8.5 %
Other	**4.1 %**	4.1 %	5.8 %	6.1 %	5.3 %
Total	**100.0 %**	100.0 %	100.0 %	100.0 %	100.0 %

(i) The results of discontinued operations have been excluded from prior period figures as applicable per IFRS 5 to conform to the current period presentation. All amounts are from continuing operations unless otherwise noted. See Section 12 Accounting policies.

Cineplex has three reportable segments: film entertainment and content, media, and location-based entertainment. The reportable segments are business units offering differing products and services and are managed separately due to their distinct natures and are based on the information used by Cineplex's chief operating decision makers.

Revenue mix % by period	Third Quarter		Year to Date	
	2026	2025	2026	2025
Film Entertainment and Content	88.0 %	84.6 %	86.2 %	83.1 %
Media	4.3 %	5.5 %	4.7 %	5.8 %
LBE	7.7 %	9.9 %	9.1 %	11.1 %
Total	**100.0 %**	**100.0 %**	**100.0 %**	**100.0 %**

A key component of Cineplex's business strategy is to position itself as the leading exhibitor in the Canadian market by providing guests with an exceptional entertainment experience.

The commercial appeal of the films and alternative content released during a given period, and the success of marketing as well as promotion for those films by film studios, distributors and content providers all drive theatre attendance. BPP is affected by the mix of film and alternative content product that appeals to certain audiences (such as children or seniors who pay lower ticket prices), ticket prices during a given period and the appeal of available premium priced product that increases BPP. While BPP is impacted by CineClub, the Cineplex Tuesdays program and the Scene+ loyalty program, these value offering programs are designed to increase theatre attendance frequency at Cineplex's theatres. Cineplex's main focus is to drive incremental visits to theatres, to employ a ticket price strategy which takes into account the local demographics at each theatre and to maximize BPP through premium offerings.

Food service revenues are comprised primarily of concession revenues, arising from food and beverage sales at theatre locations and LBE venues including *The Rec Room* and *Playdium*. In addition, food service revenues include in-theatre merchandise sales and home delivery services by Uber Eats, SkipTheDishes and DoorDash, and food offerings made available through Too Good To Go. CPP represents theatre food service revenues divided by theatre attendance, and is impacted by the theatre food service product mix, theatre food service prices, film genre, promotions, discounts for CineClub members, and the Scene+ loyalty program. CPP can fluctuate from quarter to quarter depending on the genre of film product playing. Cineplex believes the Scene+ and CineClub programs drive incremental purchase incidence, increasing overall revenues. Cineplex focuses primarily on growing CPP by optimizing the product offerings, improving operational excellence, improving the guest experience with enhancements to the Cineplex Mobile App and providing greater flexibility with online food and beverage ordering, and strategic pricing to increase purchase incidence and transaction value. Food service revenues from LBE include food and beverage revenues from the various bars and restaurants located throughout the venues.

Cineplex Media generates revenues primarily from selling pre-show and show-time advertising in Cineplex and other represented theatres, and from DOOH advertising arrangements in third party networks. Cineplex's media

advertising arrangements are impacted by theatre and mall attendance levels which drive impressions and ultimately impact media revenue generated by Cineplex. Additionally, Cineplex Media sells media placements throughout Cineplex's circuit including digital poster cases, as well as sponsorship and advertising in LBE venues. Cineplex Media also sells digital advertising for cineplex.com, the Cineplex mobile app and on third party digital networks.

Amusement revenues include revenues generated at LBE venues as well as XSCAPE Entertainment Centres and game rooms in theatres.

Cineplex generates other revenues from online booking fees, promotional activities, screenings, private parties, corporate events, distribution revenue through Cineplex Pictures, merchandise sales through the online Merch Shop, and breakage on gift card sales and prepaid products.

Cost of Sales and Expenses

Film cost represents the film rental fees paid to distributors for films exhibited in Cineplex's theatres. Film costs are calculated as a percentage of box office revenue and are dependent on various factors including the performance of the film. Film costs are accrued on the related box office receipts at either mutually agreed-upon terms established prior to the opening of a film, or estimated terms depending on the film agreement. There can be significant variances in film cost percentage between quarters due to, among other things, the concentration of box office revenues amongst the top films in the period with stronger performing films typically having a higher film cost percentage.

Cost of food service represents the cost of concession items and other theatre food service items sold, and varies with changes in concession and other theatre food service revenues as well as the quantity and mix of concession and other food service offerings sold. Cost of food and beverages sold at LBE is also included in cost of food service.

Depreciation - right-of-use assets represents the depreciation of Cineplex's right-of-use assets related to leases. Depreciation is calculated on a straight-line basis from the date of commencement of the lease to the earlier of the end of the useful life of the asset or the end of the lease term.

Depreciation and amortization - other represents the depreciation and amortization of Cineplex's property, equipment and leaseholds, as well as certain of its intangible assets. Depreciation and amortization are calculated on a straight-line basis over the useful lives of the assets.

(Gain) loss on disposal of assets represents the gain recognized on assets or components of assets that were sold or otherwise disposed of.

Other costs are comprised of theatre occupancy expenses, other operating expenses and general and administrative expenses. These categories are described below.

Theatre occupancy expenses include lease related expenses, percentage rent, property related taxes, business related taxes and insurance and exclude cash rent accounted for as obligations or interest under IFRS 16, *Leases*.

Other operating expenses consist of fixed and variable expenses, with the largest component being theatre salaries and wages. Although theatre salaries and wages include a fixed cost component, these expenses vary in relation to revenues as theatre staffing levels are adjusted to handle fluctuations in theatre attendance. Other components of this category include cleaning, marketing which includes the cost of Scene+ points issued, advertising, media, LBE, loyalty, supplies and services, utilities, and maintenance. To the extent these costs are variable, they can be managed with changes in business volumes.

General and administrative expenses are primarily costs associated with managing Cineplex's business, including film buying, marketing and promotions, operations and theatre food service management, accounting and financial reporting, legal, treasury, design and construction, real estate development, communications and investor relations, digital and technology and administration. Included in these costs are payroll (including Cineplex's Incentive Plan costs), occupancy costs related to Cineplex's corporate offices, professional fees (such as public accountant and

legal fees) and travel and other costs. Cineplex maintains general and administrative staffing and associated costs at a level that it deems appropriate to manage and support the size and nature of its theatre and LBE portfolio and its business activities.

Accounting for Joint Arrangements

The financial statements incorporate the operating results of joint arrangements in which Cineplex has an interest using either the equity accounting method (for joint ventures and associates) or recognizing Cineplex's share of the assets, liabilities, revenues and expenses in Cineplex's consolidated results (for joint operations).

Under IFRS 11, Cineplex's 33.3% interest in Scene+ is classified as joint ventures or associates. Through equity accounting, Cineplex's share of the results of operations for these joint ventures and associates are reported as a single item in the statements of operations, 'Share of income of joint ventures and associates'.

4. RESULTS OF OPERATIONS

Other than where disclosed, discussions of results and Non-GAAP financial measures, including EBITDA, adjusted EBITDA and adjusted EBITDAaL, in this MD&A are of continuing operations.

4.1. SELECTED FINANCIAL DATA

The following table presents summarized financial data for Cineplex for the three and nine months ended September 30, 2026 and 2025 (expressed in thousands of dollars except shares outstanding, per share data and per patron data, unless otherwise noted):

	Three months ended September 30, 2026	Three months ended September 30, 2025	Variance (%)	Nine months ended September 30, 2026	Nine months ended September 30, 2025	Variance (%)
Box office revenues	$ 215,681	$ 159,478	35.2 %	$ 519,289	$ 419,864	23.7 %
Food service revenues	161,971	130,314	24.3 %	414,706	352,178	17.8 %
Media revenues	19,143	19,212	-0.4 %	53,210	55,671	-4.4 %
Amusement revenues	25,740	25,689	0.2 %	74,006	78,372	-5.6 %
Other revenues	17,664	14,245	24.0 %	53,695	43,913	22.3 %
Total revenues	**440,199**	**348,938**	**26.2%**	**1,114,906**	**949,998**	**17.4 %**
Select Expenses						
Film cost	120,583	89,114	35.3 %	288,428	230,912	24.9 %
Cost of food service	36,596	29,771	22.9 %	95,147	84,022	13.2 %
Depreciation - right-of-use assets	19,814	20,132	-1.6 %	59,849	61,215	-2.2 %
Depreciation and amortization - other assets	17,799	19,248	-7.5 %	54,521	59,194	-7.9 %
(Gain) loss on disposal of assets	954	3	NM	420	(187)	NM
Other costs including employee benefits (a)	172,021	157,548	9.2 %	490,410	458,310	7.0 %
Net income (loss) from continuing operations	23,829	1,365	NM	9,242	(33,622)	NM
Net loss from discontinued operations, including gain on disposition (v)	—	(154)	-100.0 %	—	(3,980)	-100.0 %
Net income (loss)	23,829	1,211	NM	9,242	(37,602)	NM
Adjusted EBITDA (i)	111,528	73,048	52.7 %	238,054	177,578	34.1 %
Adjusted EBITDAaL (i)	70,731	33,332	112.2 %	115,654	56,508	104.7 %
Adjusted EBITDAaL from discontinued operations (i)	—	471	-100.0 %	—	(87)	-100.0 %
Adjusted EBITDAaL including discontinued operations (i)	70,731	33,803	112.2 %	115,654	56,421	105.0 %
(a) Other costs include:						
Theatre occupancy expenses	20,571	19,264	6.8 %	58,992	57,516	2.6 %
Other operating expenses including employee benefits	129,470	118,077	9.6 %	363,608	339,820	7.0 %
General and administrative expenses including employee benefits	21,980	20,207	8.8 %	67,810	60,974	11.2 %
Total other costs including employee benefits	**$ 172,021**	**$ 157,548**	**9.2%**	**$ 490,410**	**$ 458,310**	**7.0 %**
Earnings (loss) per share from continuing operations - basic	$ 0.38	$ 0.02	NM	$ 0.15	$ (0.53)	NM
Earnings per share from discontinued operations - basic	$ —	$ —	NM	$ —	$ (0.06)	-100.0 %
Earnings (loss) per share - basic	$ 0.38	$ 0.02	NM	$ 0.15	$ (0.59)	NM
Earnings (loss) per share from continuing operations - diluted	$ 0.34	$ 0.02	NM	$ 0.15	$ (0.53)	NM
Earnings (loss) per share from discontinued operations - diluted	$ —	$ —	NM	$ —	$ (0.06)	-100.0 %
Earnings (loss) per share - basic	$ 0.38	$ 0.02	NM	$ 0.15	$ (0.59)	-125.4 %
Earnings (loss) per share - diluted	$ 0.34	$ 0.02	NM	$ 0.15	$ (0.59)	NM
Total assets	$ 2,080,406	$ 2,168,519	-4.1 %	$ 2,080,406	$ 2,168,519	-4.1 %
Long-term debt (iv)	$ 750,590	$ 742,070	1.1 %	$ 750,590	$ 742,070	1.1 %
Weighted average shares outstanding at period end	63,005,557	63,440,104	-0.7 %	63,016,953	63,431,621	-0.7 %

Adjusted free cash flow per share (ii)	$ 0.840	$ 0.244	244.3 %	$ 1.078	$ 0.107	NM
Box office revenue per patron (iii)	$ 14.54	$ 13.23	9.9 %	$ 13.91	$ 13.11	6.1 %
Concession revenue per patron (iii)	$ 9.99	$ 9.65	3.5 %	$ 9.96	$ 9.66	3.1 %
Film cost as a percentage of box office revenues	55.9%	55.9%	— %	55.5%	55.0%	0.5 %
Theatre attendance (in thousands of patrons) (iii)	14,833	12,054	23.1 %	37,341	32,029	16.6 %
Theatre locations (at period end)	152	155	-1.9 %	152	155	-1.9 %
Theatre screens (at period end)	1,595	1,607	-0.7 %	1,595	1,607	-0.7 %

(i) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.

(ii) Represents a non-GAAP ratio. See Section 16 Non-GAAP and other financial measures.

(iii) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.

(iv) Represents the principal component as presented on the financial statements net of any equity component and unamortized costs of long-term debt, Convertible Debentures, and Notes Payable. Excludes share-based compensation, lease obligations, fair value of interest rate swap agreements, post-employment benefit obligations and other liabilities.

4.2. OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

Total revenues

Total revenues for the three months ended September 30, 2026 increased by $91.3 million or 26.2% to an all-time quarterly record of $440.2 million as compared to the prior year period. Total revenues for the nine months ended September 30, 2026 increased by $164.9 million or 17.4% to $1,114.9 million as compared to the prior year period. A discussion of the factors affecting the changes in box office, food service, media, amusement, and other revenues for the period is provided below.

Non-GAAP and other financial measures discussed throughout this MD&A, including adjusted EBITDA, adjusted EBITDAaL, adjusted store level EBITDAaL, adjusted EBITDAaL margin, adjusted store level EBITDAaL margin, adjusted free cash flow, theatre attendance, BPP, premium priced product, same theatre metrics, CPP, film cost percentage, food service cost percentage, and concession margin per patron are defined and discussed in Section 16 Non-GAAP and other financial measures.

Box office revenues

The following table highlights the movement in box office revenues, theatre attendance, and BPP for the quarter and year to date (in thousands of dollars, except theatre attendance reported in thousands of patrons and per patron amounts, unless otherwise noted):

Box office revenues	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Box office revenues	$ 215,681	$ 159,478	35.2%	$ 519,289	$ 419,864	23.7%
Theatre attendance (i)	14,833	12,054	23.1%	37,341	32,029	16.6%
Box office revenue per patron (i)	$ 14.54	$ 13.23	9.9%	$ 13.91	$ 13.11	6.1%
BPP excluding premium priced product (i)	$ 11.57	$ 11.11	4.1%	$ 11.66	$ 11.13	4.8%
Same theatre box office revenues (i)	$ 215,681	$ 158,807	35.8%	$ 518,961	$ 417,907	24.2%
Same theatre attendance (i)	14,833	11,996	23.6%	37,310	31,856	17.1%
% Total box from premium priced product (i)	51.4%	44.7 %	6.7%	43.7 %	43.0 %	0.7%

(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.

Box office continuity	Third Quarter		Year to Date	
	Box Office	Theatre Attendance	Box Office	Theatre Attendance
2025 as reported	$ 159,478	12,054	$ 419,864	32,029
Same theatre attendance change	37,561	2,837	71,546	5,454
Impact of same theatre BPP change	19,313	—	29,508	—
New and acquired theatres (i)	—	—	—	—
Disposed and closed theatres (i)	(671)	(58)	(1,629)	(142)
2026 as reported	**$ 215,681**	**14,833**	**$ 519,289**	**37,341**

(i) See Section 16 Non-GAAP and other financial measures. Represents theatres opened, acquired, disposed or closed subsequent to the start of the prior year comparative period and is used to report on Cineplex's supplementary financial measures.

	Third Quarter 2026 Top Cineplex Films	3D	% Box		Third Quarter 2025 Top Cineplex Films	3D	% Box
1	Spider-Man: Brand New Day	✔	31.3 %	1	Superman	✔	13.2 %
2	The Odyssey		27.0 %	2	Jurassic World Rebirth	✔	12.7 %
3	Minions & Monsters	✔	5.4 %	3	The Fantastic Four: First Steps	✔	9.8 %
4	Toy Story 5	✔	4.3 %	4	F1 The Movie		7.9 %
5	Resident Evil		3.4 %	5	The Conjuring: Last Rites		6.5 %

	Year to Date 2026 Top Cineplex Films	3D	% Box		Year to Date 2025 Top Cineplex Films	3D	% Box
1	Spider-Man: Brand New Day	✔	13.0 %	1	A Minecraft Movie	✔	7.2 %
2	The Odyssey		11.2 %	2	Superman	✔	5.0 %
3	The Super Mario Galaxy Movie	✔	5.8 %	3	Jurassic World Rebirth	✔	4.8 %
4	Project Hail Mary		5.7 %	4	Lilo & Stitch	✔	4.4 %
5	Toy Story 5	✔	4.1 %	5	F1 The Movie		4.3 %

Third Quarter

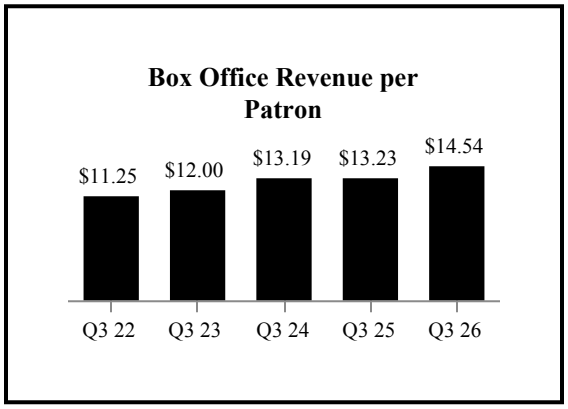
Box office revenues for the three months ended September 30, 2026 increased by $56.2 million or 35.2% to an all-time quarterly record of $215.7 million, compared to $159.5 million in the prior year period. This increase was primarily driven by a 23.1% increase in attendance as the quarter benefited from a strong film slate, led by *The Odyssey* and *Spider-Man: Brand New Day,* which became the highest grossing film in North American box office history, surpassing 2015's *Star Wars: The Force Awakens*.

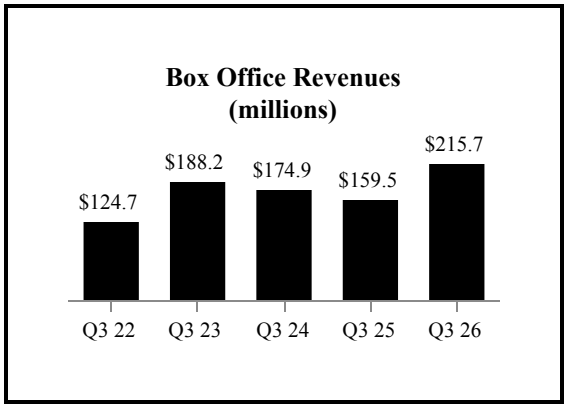
BPP for the three months ended September 30, 2026 was an all-time quarterly record of $14.54, an increase of $1.31 or 9.9% from $13.23 in the prior year period. The increase in BPP was primarily due to an increase in premium priced products, which accounted for 51.4% of total box office revenue during the third quarter, the highest third quarter mix on record, compared to 44.7% in the prior year period. The increase was driven by several highly successful films that attracted guests to premium priced products during the quarter, including *Spider-Man: Brand New Day* which attracted guests to 3D and UltraAVX, as well as *The Odyssey,* which generated significant demand for IMAX, including the highly sought-after IMAX 70mm format, of which Cineplex operates 20% of the screens worldwide.

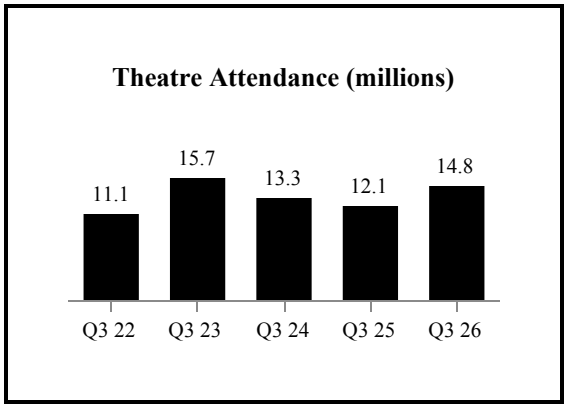
Year to Date

For the year to date period, box office revenues increased by $99.4 million or 23.7% to $519.3 million, compared to $419.9 million recorded in the prior year period. This increase was primarily driven by an increase in attendance of 5.3 million or 16.6% to 37.3 million from 32.0 million reported in the prior year period, reflecting the strong performance of titles including *Spider-Man: Brand New Day* and *The Odyssey*.

Cineplex's BPP for the period ended September 30, 2026 was $13.91, which increased by $0.80 or 6.1% from $13.11 reported in the prior year period. The increase in BPP was primarily due to premium priced products, which accounted for 43.7% of the total box office revenue for the nine months ended September 30, 2026, compared to 43.0% in the prior year, as well as inflationary and strategic pricing initiatives. Cineplex's main focus is to drive incremental visits to theatres, and employ a ticket price strategy which takes into account the local demographics at each theatre while maximizing BPP through premium offerings.







Food service revenues

The following table highlights the movement in food service revenues, theatre attendance and CPP for the quarter and year to date (in thousands of dollars, except theatre attendance and same store attendance reported in thousands of patrons and per patron amounts):

Food service revenues	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Food service - theatres	$ 148,114	$ 116,339	27.3 %	$ 372,020	$ 309,295	20.3 %
Food delivery - theatres	2,503	2,302	8.7 %	7,554	6,940	8.8 %
Food service - LBE	11,354	11,673	-2.7 %	35,132	35,943	-2.3 %
Total food service revenues	**$ 161,971**	**$ 130,314**	**24.3%**	**$ 414,706**	**$ 352,178**	**17.8 %**
Theatre attendance (i)	14,833	12,054	23.1 %	37,341	32,029	16.6 %
CPP (i) (ii)	$ 9.99	$ 9.65	3.5 %	$ 9.96	$ 9.66	3.1 %
Same theatre food service revenues (i)	$ 148,114	$ 115,804	27.9 %	$ 371,721	$ 307,614	20.8 %
Same theatre attendance (i)	14,833	11,996	23.6 %	37,310	31,856	17.1 %

(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.
(ii) Food service revenue from LBE and delivery is not included in the CPP calculation.

Theatre food service revenue continuity	Third Quarter		Year to Date	
	Theatre Food Service	Theatre Attendance	Theatre Food Service	Theatre Attendance
2025 as reported	$ 116,339	12,054	$ 309,295	32,029
Same theatre attendance change	27,390	2,837	52,664	5,454
Impact of same theatre CPP change	4,921	—	11,444	—
New and acquired theatres (i)	—	—	—	—
Disposed and closed theatres (i)	(536)	(58)	(1,383)	(142)
2026 as reported	**$ 148,114**	**14,833**	**$ 372,020**	**37,341**

(i) Represents theatres opened, acquired, disposed or closed subsequent to the start of the prior year comparative period and is used to report on Cineplex's supplementary financial measures. See Section 16 Non-GAAP and other financial measures

Food service revenues are comprised primarily of concession revenues, which includes food service sales at theatre locations, through delivery services including Uber Eats, SkipTheDishes, and DoorDash, and food offerings made available through Too Good To Go. Food service revenues also include food and beverage sales at *The Rec Room* and *Playdium.*

Third Quarter

Food service revenues increased by $31.7 million or 24.3% to $162.0 million, compared to $130.3 million in the prior year period. Theatre food service revenues during the third quarter increased by $31.8 million or 27.3% to $148.1 million, an all-time quarterly record, as compared to the prior year period. The increase was primarily driven by a 23.1% increase in theatre attendance.

CPP for the three months ended September 30, 2026 was a third quarter record of $9.99, an increase of $0.34 or 3.5% from $9.65 in the prior year period, which was due to growth in value programs and initiatives and an increase in merchandise sales.

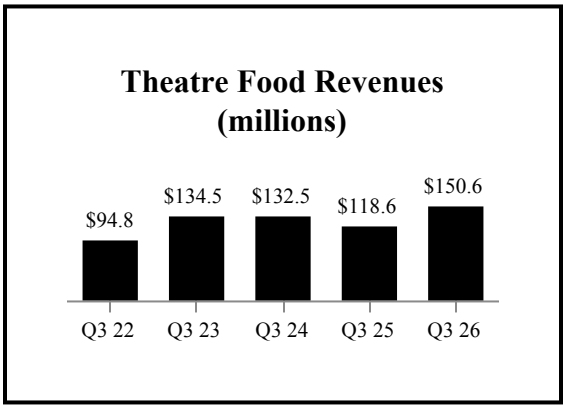
LBE food service revenues decreased by $0.3 million or 2.7% from $11.7 million to $11.4 million.

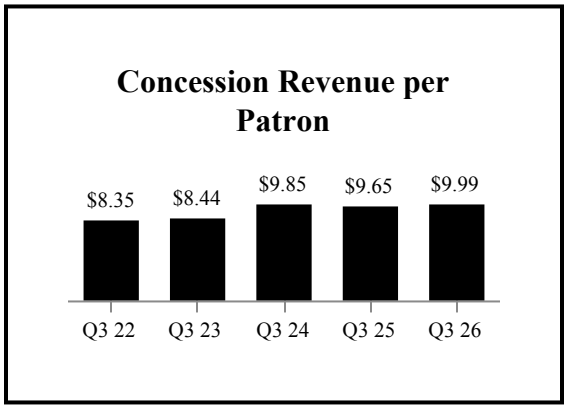
Year to Date

For the year to date period, food service revenues increased by $62.5 million or 17.8%, from $352.2 million to $414.7 million, primarily due to a $62.7 million increase in theatre food service revenues. The increase in theatre food service revenues is primarily due to a 16.6% increase in theatre attendance.

Cineplex's CPP during the year to date period was $9.96, which increased by $0.30 or 3.1% from $9.66 in the prior year period. The increase in CPP is primarily due to inflationary and strategic pricing initiatives, as well as increased purchase incidence.

For the year to date period, LBE food service revenues decreased by $0.8 million or 2.3% from $35.9 million to $35.1 million.





Cinema media revenues

The following table highlights the movement in media revenues for the quarter and year to date (in thousands of dollars):

Media revenues	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Cinema media	$ 19,143	$ 19,212	-0.4%	$ 53,210	$ 55,671	-4.4%
Theatre attendance (i)	14,833	12,054	23.1%	37,341	32,029	16.6%
Cinema media per patron (CMPP) (i)	$ 1.29	$ 1.59	-18.9%	$ 1.42	$ 1.74	-18.4%
(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.						

Cinema media revenues include the commission on advertising sales on CDM's DOOH networks.

Third Quarter

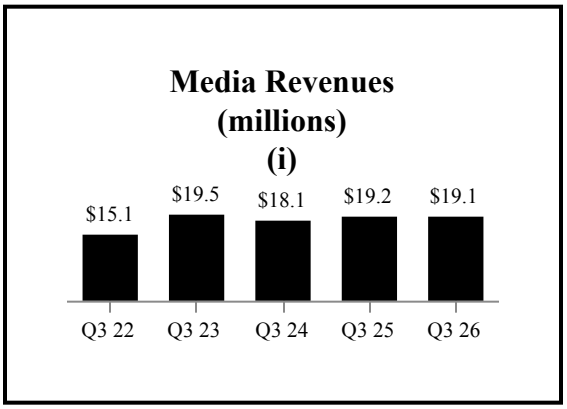
Cinema media revenues decreased slightly by $0.1 million or 0.4% to $19.1 million during the third quarter, compared to $19.2 million in the prior year period. Results in the current period were impacted by lower advertising demand due to advertising commitments being concentrated in the first half of the year around major sporting events, including the Olympics and FIFA tournaments.

Cinema media per patron (CMPP) decreased by $0.30 or 18.9% to $1.29 during the third quarter, compared to $1.59 in the prior year period.

Year to Date

For the year to date period, total media revenues decreased by $2.5 million or 4.4% to $53.2 million. The decrease was driven by lower demand for in-theatre advertising placements as the presence of the Olympics during the year diverted advertising spend toward live sporting events, along with a tougher year-over-year comparison due to higher pharmaceutical spend in the prior year period.

For the year to date period, CMPP decreased by $0.32 or 18.4% to $1.42, compared to $1.74 in the prior year period.



(i) The results of discontinued operations have been excluded from prior period figures as applicable per IFRS 5 to conform to the current period presentation. All amounts are from continuing operations unless otherwise noted. See Section 12 Accounting policies.

Amusement revenues

The following table highlights the movement in amusement revenues for the quarter and year to date (in thousands of dollars):

Amusement revenues	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Amusement revenue - LBE	$ 21,994	$ 22,339	-1.5%	$ 63,596	$ 67,890	-6.3%
Amusement revenue - theatres (i)	3,746	3,350	11.8%	10,410	10,482	-0.7%
Total amusement revenues from continuing operations	**$ 25,740**	**$ 25,689**	**0.2%**	**$ 74,006**	**$ 78,372**	**-5.6%**

(i) Cineplex receives a venue revenue share on games revenues earned at in-theatre game rooms and XSCAPE Entertainment Centres. Amusement revenue - theatres reports the total of this venue revenue share which is consistent with the historical presentation of Cineplex's amusement revenues.

Third Quarter

Amusement revenues increased by $0.1 million or 0.2% to $25.7 million during the third quarter, compared to $25.7 million in the prior year period.

Amusement revenues from theatres increased by 11.8% or $0.4 million to $3.7 million during the third quarter, compared to $3.4 million in the prior year period. This increase was primarily due to the success of family-oriented films compared to the prior year period, led by *Minions & Monsters* and *Toy Story 5*. Amusement revenues from LBE decreased by 1.5% during the third quarter, compared to the prior year period. This decrease was primarily driven by broader economic headwinds and increased local competition in select locations.

Year to Date

For the year to date period, amusement revenues decreased by $4.4 million or 5.6% to $74.0 million, compared to $78.4 million in the prior year period.

Amusement revenues from theatres decreased by 0.7% or $0.1 million to $10.4 million during the year to date period, compared to $10.5 million in the prior year period. This slight decrease was primarily due to the success of family-oriented films in the prior year period. Amusement revenues from LBE decreased by 6.3% compared to the prior year period. This decrease was primarily driven by broader economic headwinds and increased local competition in select locations.

LBE revenues

The following table presents the LBE adjusted store level EBITDAaL for the quarter and year to date (in thousands of dollars):

LBE Summary	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Food service revenues	$ 11,354	$ 11,673	-2.7%	$ 35,132	$ 35,943	-2.3%
Amusement revenues	21,994	22,339	-1.5%	63,596	67,890	-6.3%
Media and other revenues	666	575	15.8%	2,312	2,087	10.8%
Total revenues	**$ 34,014**	**$ 34,587**	**-1.7%**	**$ 101,040**	**$ 105,920**	**-4.6%**
Cost of food service	3,450	3,656	-5.6%	10,110	10,482	-3.5%
Operating expenses before adjustments (i)	20,679	21,383	-3.3%	60,908	62,950	-3.2%
Cash rent related to lease obligations (ii)	3,829	3,760	1.8%	11,303	11,098	1.8%
Total expenses	**$ 27,958**	**$ 28,799**	**-2.9%**	**$ 82,321**	**$ 84,530**	**-2.6%**
Adjusted store level EBITDAaL (iii)	**$ 6,056**	**$ 5,788**	**4.6%**	**$ 18,719**	**$ 21,390**	**-12.5%**
Adjusted store level EBITDAaL Margin (iv)	**17.8 %**	**16.7 %**	**1.1%**	**18.5 %**	**20.2 %**	**-1.7%**

(i) Includes operating costs of LBE. Pre-opening costs relating to LBE and overhead relating to management of LBE portfolio are not included.
(ii) Cash rent that has been reallocated to offset the lease obligations.
(iii) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.
(iv) Represents a non-GAAP ratio. See Section 16 Non-GAAP and other financial measures.

Third Quarter

During the third quarter, revenues decreased by $0.6 million or 1.7% to $34.0 million, compared to $34.6 million in the prior year period.

Adjusted store level EBITDAaL for the third quarter increased from $5.8 million in the prior year period to $6.1 million. Additionally, adjusted store level EBITDAaL margin was 17.8%, a 1.1 percentage point increase compared to the prior year period margin of 16.7% primarily due to operational efficiencies.

Year to Date

For the year to date period, revenues decreased by $4.9 million or 4.6% from $105.9 million in the prior year to $101.0 million.

Adjusted store level EBITDAaL for the year to date period decreased by 12.5% from $21.4 million in the prior year to $18.7 million. Additionally, adjusted store level EBITDAaL margin was 18.5% during the year to date period, a 1.7 percentage point decrease compared to the prior year margin of 20.2%. The decrease in adjusted store level EBITDAaL and adjusted store level EBITDAaL margin is primarily attributed to a decrease in revenue.

Other revenues

The following table highlights the other revenues which includes revenues from online booking fees, Cineplex Pictures distribution, promotional activities, screenings, private parties, corporate events, breakage on gift card sales and revenues from management fees for the quarter and year to date (in thousands of dollars):

Other revenues	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Online booking fees	$ 9,549	$ 6,386	49.5%	$ 21,968	$ 16,625	32.1%
Other revenues	8,115	7,859	3.3%	31,727	27,288	16.3%
Total other revenues	$ 17,664	$ 14,245	24.0%	$ 53,695	$ 43,913	22.3%

Third Quarter and Year to Date

The quarterly and year to date period increase was due to an increase in online booking fees arising from improved attendance and a greater proportion of patrons choosing to purchase tickets online compared to the prior year period. Contributing to this growth was *Spider-Man: Brand New Day*, which achieved the strongest advance ticket sales in North America.

In addition, there were higher distribution revenues for Cineplex Pictures driven by the success of *Michael*, which became the highest grossing film, of all time, distributed by Cineplex Pictures.

Film cost

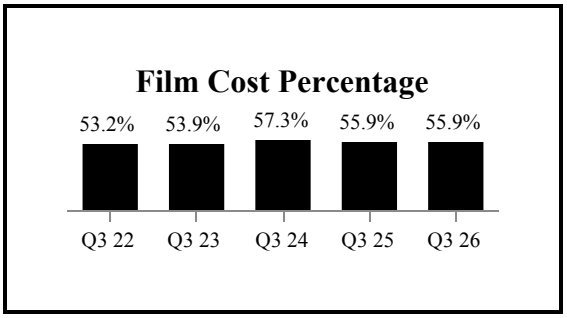
The following table highlights the movement in film cost and the film cost percentage for the quarter and year to date (in thousands of dollars, except film cost percentage):

Film cost	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Film cost	$ 120,583	$ 89,114	35.3%	$ 288,428	$ 230,912	24.9%
Film cost percentage (i)	55.9%	55.9%	—%	55.5%	55.0%	0.5%
(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.						

Third Quarter and Year to Date

Film cost varies primarily with box office revenues and can vary from quarter to quarter usually based on the relative strength of the titles exhibited during the period, impacted by film cost terms which vary by title and distributor.

The increase in film cost during the third quarter and year to date period compared to the prior year period is correlated to the greater box office revenue. Film cost percentage remained consistent with the prior year in the third quarter and increased marginally during the year to date period due to higher settlement rates compared to the prior year period.



Cost of food service

The following table highlights the movement in cost of food service and food service cost as a percentage of food service revenues ("concession cost percentage") for both theatres and LBE for the quarter and year to date (in thousands of dollars, except percentages and margins per patron):

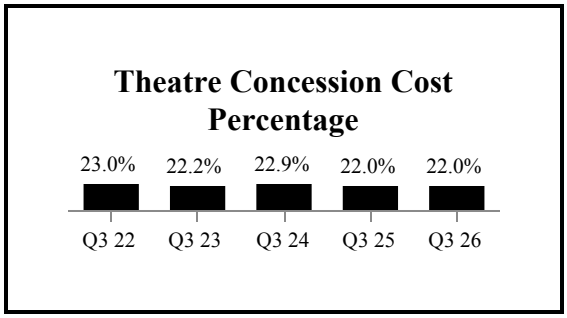
Cost of food service	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Cost of food service - theatre	$ 33,146	$ 26,115	26.9%	$ 85,037	$ 73,540	15.6%
Cost of food service - LBE	3,450	3,656	-5.6%	10,110	10,482	-3.5%
Total cost of food service	**$ 36,596**	**$ 29,771**	**22.9%**	**$ 95,147**	**$ 84,022**	**13.2%**
Theatre concession cost percentage (i)	22.0%	22.0%	—%	22.4%	23.3%	-0.9%
LBE food cost percentage (i)	30.4%	31.3%	-0.9%	28.8%	29.2%	-0.4%
Theatre concession margin per patron (i)	$ 7.79	$ 7.53	3.5%	$ 7.73	$ 7.41	4.3%
(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.						

Cost of food service at the theatres varies primarily with theatre attendance, the cost of food and materials purchased as well as the quantity and mix of offerings sold. Cost of food service at LBE venues varies primarily with the volume of guests who visit the location as well as the quantity and mix between food and beverage items sold.

Third Quarter and *Year to Date*

The increase in the total cost of food service during the third quarter and year to date period is correlated to the increase in food service revenues recognized during the third quarter and year to date period.

Despite the rise in concession costs, theatre concession cost percentage remained consistent with the prior year period during the third quarter and decreased marginally during the year to date period. LBE food cost percentage marginally decreased in both the third quarter and year to date period compared to the prior year periods.



Depreciation and amortization

The following table highlights the movement in depreciation and amortization expenses during the quarter and year to date (in thousands of dollars):

Depreciation and amortization expenses	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Depreciation of property, equipment and leaseholds	$ 15,512	$ 17,160	-9.6%	$ 47,712	$ 53,090	-10.1%
Amortization of intangible assets and other	2,287	2,088	9.5%	6,809	6,104	11.5%
Sub-total - depreciation and amortization - other assets	**$ 17,799**	**$ 19,248**	**-7.5%**	**$ 54,521**	**$ 59,194**	**-7.9%**
Depreciation - right-of-use assets	19,814	20,132	-1.6%	59,849	61,215	-2.2%
Total depreciation and amortization from continuing operations	**$ 37,613**	**$ 39,380**	**-4.5%**	**$ 114,370**	**$ 120,409**	**-5.0%**

Third Quarter and Year to Date

Depreciation of property, equipment and leaseholds decreased by $1.6 million, or 9.6% during the third quarter and $5.4 million, or 10.1% during the year to date period compared to the respective prior year periods due to fully depreciated assets.

Amortization of intangible assets increased by $0.2 million or 9.5% during the third quarter and $0.7 million or 11.5% during the year to date period compared to the respective prior year periods due to software development and additions.

Depreciation of right-of-use assets decreased by $0.3 million or 1.6% during the third quarter and $1.4 million or 2.2% during the year to date period compared to the respective prior year periods. The decrease is primarily due to modifications of leases which reduced the related depreciation recognized.

Loss (gain) on disposal of assets

The following table shows the movement in the loss (gain) on disposal of assets during the quarter and year to date (in thousands of dollars):

Loss (gain) on disposal of assets	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Loss (gain) on disposal of assets	$ 954	$ 3	NM	$ 420	$ (187)	NM

Third Quarter and Year to Date

The change in the loss on disposal of assets recognized during the third quarter and year to date period is due to activity on the disposal of Cineplex's assets.

Other costs

Other costs include three main sub-categories of expenses: theatre occupancy expenses, which capture associated occupancy costs for Cineplex's theatre operations; other operating expenses, which include the costs related to running Cineplex's film entertainment and content, media, and LBE businesses; and general and administrative expenses, which include costs related to managing Cineplex's operations, including head office expenses. Please see the discussions below for more details on these categories.

The following table highlights the movement in other costs for the quarter and year to date (in thousands of dollars):

Other costs including employee benefits	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Theatre occupancy expenses	$ 20,571	$ 19,264	6.8%	$ 58,992	$ 57,516	2.6%
Other operating expenses	129,470	118,077	9.6%	363,608	339,820	7.0%
General and administrative expenses	21,980	20,207	8.8%	67,810	60,974	11.2%
Total other costs	**$ 172,021**	**$ 157,548**	**9.2%**	**$ 490,410**	**$ 458,310**	**7.0%**

Theatre occupancy expenses

The following table highlights the movement in theatre occupancy expenses for the quarter and year to date (in thousands of dollars):

Theatre occupancy expenses	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Cash rent paid/payable (i)	$ 35,904	$ 34,799	3.2%	$ 109,626	$ 108,896	0.7%
Other occupancy	20,065	19,702	1.8%	59,396	58,272	1.9%
Other adjustments (ii)	373	(411)	NM	(784)	(1,372)	-42.9%
Total theatre occupancy including cash lease payments	**$ 56,342**	**$ 54,090**	**4.2%**	**$ 168,238**	**$ 165,796**	**1.5%**
IFRS 16 adjustment (iii)	(35,771)	(34,826)	2.7%	(109,246)	(108,280)	0.9%
Theatre occupancy as reported	**$ 20,571**	**$ 19,264**	**6.8%**	**$ 58,992**	**$ 57,516**	**2.6%**

(i) Represents the cash payments for theatre rent paid or payable during the quarter.

(ii) Other adjustments include amounts related to both theatre rent and other theatre occupancy costs including real estate taxes, business taxes and common area maintenance. They are isolated here to illustrate Cineplex's theatre rent and other theatre occupancy costs excluding these other adjustment items.

(iii) Cash rent paid/payable related to lease obligations.

Theatre occupancy continuity	Third Quarter Occupancy	Year to Date Occupancy
2025 as reported	$ 19,264	$ 57,516
Impact of new and acquired theatres	—	—
Impact of disposed theatres	(344)	(365)
Same store rent change (i)	1,114	548
Other adjustments	698	587
Adjustments relating to prior periods	783	1,672
Impact of IFRS 16:		
Cash rent related to lease obligations	(944)	(966)
2026 as reported	**$ 20,571**	**$ 58,992**

(i) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.

Third Quarter

Theatre occupancy expenses increased during the third quarter by 6.8% compared to the prior year period. Cash rent paid/payable related to lease obligations increased by 3.2% during the third quarter.

Year to Date

For the year to date period, theatre occupancy expenses increased by $1.5 million or 2.6% compared to the prior year period.

Other operating expenses

The following table highlights the movement in other operating expenses during the quarter and year to date (in thousands of dollars):

Other operating expenses	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Theatre payroll	$ 48,473	$ 43,772	10.7%	$ 131,769	$ 123,413	6.8%
Theatre operating expenses	37,937	31,275	21.3%	100,575	89,556	12.3%
Media	3,890	3,876	0.4%	12,747	11,972	6.5%
LBE store level operating expenses (i)	24,508	25,143	-2.5%	72,211	74,048	-2.5%
LBE pre-opening	92	(48)	NM	739	307	140.7%
Redemption cost of legacy loyalty points	603	812	-25.7%	1,957	2,725	-28.2%
Marketing	3,448	2,914	18.3%	8,069	7,126	13.2%
Scene+ point issuance	7,747	7,252	6.8%	20,715	19,040	8.8%
Other (ii)	6,746	6,992	-3.5%	26,574	23,173	14.7%
Other operating expenses including cash lease payments	**$ 133,444**	**$ 121,988**	**9.4%**	**$ 375,356**	**$ 351,360**	**6.8%**
IFRS 16 adjustment (iii)	(3,974)	(3,911)	1.6%	(11,748)	(11,540)	1.8%
Total other operating expenses from continuing operations	**$ 129,470**	**$ 118,077**	**9.6%**	**$ 363,608**	**$ 339,820**	**7.0%**

(i) Includes operating costs of LBE locations. Overhead relating to management of LBE portfolio are included in the 'Other' line.
(ii) Other category includes direct costs of Cineplex Pictures and overhead costs related to LBE and other Cineplex internal departments.
(iii) Cash rent paid/payable related to lease obligations of the LBE business and theatre equipment.

Other operating expenses continuity	Third Quarter	Year to Date
2025 as reported/revised	$ 118,077	$ 339,820
Impact of new and acquired theatres	—	—
Impact of disposed theatres	(507)	(1,274)
Same theatre payroll change (i)	4,972	9,021
Same theatre operating expenses change (i)	6,870	11,555
Media operating expenses change	14	775
LBE store level operating expenses change	(635)	(1,837)
LBE pre-opening change	140	432
Redemption cost of legacy loyalty points	(209)	(768)
Marketing change	534	943
Scene+ point issuance change	495	1,675
Other	(218)	3,474
Impact of IFRS 16:		
Cash rent related to lease obligations	$ (63)	$ (208)
2026 as reported	**$ 129,470**	**$ 363,608**

(i) See Section 16 Non-GAAP and other financial measures. These are measures included as part of Cineplex's supplementary financial measure calculations.

Third Quarter

Other operating expenses increased by $11.4 million or 9.6% during the third quarter compared to the prior year period. Theatre payroll increased by $4.7 million and operating expenses increased by $6.7 million, as a result of greater exhibition attendance. Marketing expenses increased by $0.5 million compared to the prior year period due to higher promotional spending in support of a stronger film slate.

Year to Date

For the year to date period, other operating expenses increased by $23.8 million or 7.0% compared to the prior year period. Theatre payroll increased by $8.4 million and operating expenses increased by $11.0 million, as a result of greater exhibition attendance. Other expenses increased by $3.4 million compared to the prior year period primarily due to Cineplex Pictures having higher distribution costs as a result of a stronger film slate compared to the prior year period. Marketing expenses increased by $0.9 million compared to the prior year period due to higher promotional spending in support of a stronger film slate. Media expenses increased by $0.8 million compared to the prior year period due to increased payroll and costs associated with research studies.

General and administrative expenses

The following table highlights the movement in general and administrative ("G&A") expenses during the quarter and year to date, including share-based compensation costs, and G&A net of these costs (in thousands of dollars):

G&A expenses	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
G&A excluding the following items	$ 17,106	$ 16,264	5.2%	$ 52,571	$ 51,069	2.9%
Restructuring	1,338	1,004	33.3%	4,910	4,184	17.4%
Transaction / Litigation costs	130	364	-64.3%	647	877	-26.2%
Long term incentive plan (LTIP) (i)	3,643	2,741	32.9%	10,418	5,328	95.5%
Option plan	380	392	-3.1%	1,113	1,197	-7.0%
G&A expenses including cash lease payments	**$ 22,597**	**$ 20,765**	**8.8%**	**$ 69,659**	**$ 62,655**	**11.2%**
IFRS 16 adjustment (ii)	(617)	(558)	10.6%	(1,849)	(1,681)	10.0%
G&A expenses as reported	**$ 21,980**	**$ 20,207**	**8.8%**	**$ 67,810**	**$ 60,974**	**11.2%**

(i) LTIP includes the expense for RSUs and PSUs, as well as the expense for the executive and Board deferred share unit plans.
(ii) Cash rent paid/payable included as part of lease obligations.

Third Quarter and *Year to Date*

G&A expenses increased by $1.8 million or 8.8% during the third quarter and $6.8 million or 11.2% during the year to date period compared to the prior year periods. The increase was primarily due to the timing of recognition of LTIP expenses for retirement eligible employees and increased LTIP costs from a change in Cineplex's Common Share price.

Share of (income) loss of joint ventures and associates

Cineplex's joint ventures and associates include its 33.3% interest in Scene+ (2025 - 33.3%).

The following table highlights the components of share of (income) loss of joint ventures and associates during the quarter and year to date (in thousands of dollars):

Share of loss (income) of joint ventures and associates	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Share of loss of Scene+	$ 133	$ 47	183.0%	$ 4,666	$ 255	NM
Share of (income) loss of other joint ventures and associates	—	(184)	-100.0%	—	(224)	-100.0%
Total loss (income) of joint ventures and associates	**$ 133**	**$ (137)**	**NM**	**$ 4,666**	**$ 31**	**NM**

Third Quarter and Year to Date

Cineplex's loss (income) from its joint ventures and associates consisted of a $0.1 million loss related to Scene+ during the third quarter and a $4.7 million loss during the year to date period. This is primarily due to marketing costs related to the Shell Canada partnership with Scene+.

Interest expense

The following table highlights the movement in interest expense during the quarter and year to date (in thousands of dollars):

Interest expense	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Interest expense on long-term debt	$ 15,620	$ 15,706	-0.5%	$ 46,017	$ 46,283	-0.6%
Lease interest expense (i)	17,443	18,497	-5.7%	52,539	54,006	-2.7%
Financing fees	29	(79)	100.0%	67	38	76.3%
Sub-total - cash interest expense from continuing operations	**$ 33,092**	**$ 34,124**	**-3.0%**	**$ 98,623**	**$ 100,327**	**-1.7%**
Other non-cash interest	47	37	27.0%	145	110	31.8%
Lease interest - non-cash	68	(57)	NM	158	(211)	NM
Accretion expense on Convertible Debentures and Notes Payable	2,267	1,957	15.8%	6,489	5,602	15.8%
Sub-total - non-cash interest expense from continuing operations	**2,382**	**1,937**	**23.0%**	**6,792**	**5,501**	**23.5%**
Total interest expense from continuing operations	**$ 35,474**	**$ 36,061**	**-1.6%**	**$ 105,415**	**$ 105,828**	**-0.4%**
Total cash interest paid from continuing operations	**$ 47,978**	**$ 48,990**	**-2.1%**	**$ 114,188**	**$ 115,685**	**-1.3%**
(i) Represents total cash interest paid and accrued cash interest related to lease obligations.						

Lease interest expense breakdown	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Cash interest paid - lease obligation	$ 17,443	$ 18,518	-5.8%	$ 52,539	$ 54,027	-2.8%
Change in accrued interest - lease obligation	—	(21)	NM	—	(21)	NM
Total lease interest expense from continuing operations	**$ 17,443**	**$ 18,497**	**-5.7%**	**$ 52,539**	**$ 54,006**	**-2.7%**

Third Quarter

Total interest expense decreased by $0.6 million or 1.6% for the quarter when compared to the prior year period.

Year to Date

For the year to date period, total interest expense decreased by $0.4 million or 0.4% compared to the prior year period.

Change in financial instruments recorded at fair value

The following table highlights the movement in change in fair value of financial instruments during the quarter and year to date (in thousands of dollars):

Change in financial instruments recorded at fair value	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Loss (income) on financial instruments recorded at fair value	$ 2,510	$ (4,240)	NM	$ 1,470	$ (2,870)	NM

Third Quarter

The change in the fair value of financial instruments recognized during the third quarter is a loss of $2.5 million.

Year to Date

The change in the fair value of financial instruments recognized during the year to date period is a loss of $1.5 million. The change from the prior year period is primarily due to the change in fair value of the prepayment derivative related to the 2024 Notes (as defined in Section 6.4 Long-term debt).

Income taxes

The following table highlights the movement in current and deferred income tax recovery during the quarter and year to date (in thousands of dollars):

Income taxes	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Current income tax expense (recovery)	$ —	$ —	NM	$ —	$ —	NM
Deferred income tax expense (recovery)	11,234	45	NM	7,915	(11,778)	NM
Provision for income taxes	**$ 11,234**	**$ 45**	**NM**	**$ 7,915**	**$ (11,778)**	**NM**

Cineplex had $405.6 million of non-capital losses available based on income tax returns filed up to tax year 2025. Cineplex will continue to evaluate the recoverability of net deferred tax assets in the ordinary course of business at each balance sheet date.

The provision for income taxes in the third quarter reflects the impact of permanent and other differences between accounting income and taxable income.

Cineplex's combined statutory income tax rate at September 30, 2026 was 26.3% (2025 - 26.3%).

By Notice of Reassessment dated January 22, 2019, the Canada Revenue Agency disallowed the deduction of $26,600 of losses of AMC Ventures Inc. ("AMC") that Cineplex had obtained on the acquisition of AMC in 2012 and applied against Cineplex's 2014 taxable income. On January 15, 2026, the Tax Court of Canada rendered a judgment fully in favour of Cineplex, allowing the claim of $26,510 of non-capital losses in respect of its 2014 taxation year. The Crown did not appeal the judgment to the Federal Court of Appeal, and as a result the decision is now final and Cineplex has received a refund of a portion of the prepaid taxes plus applicable interest and is expected to receive the remaining amount in 2026.

4.3. NET INCOME (LOSS), EBITDA AND ADJUSTED EBITDAaL (see Section 16 Non-GAAP and other financial measures)

The following table presents net income (loss), EBITDA, adjusted EBITDA and adjusted EBITDAaL for the three and nine months ended September 30, 2026 as compared to the prior year periods (expressed in thousands of dollars, except adjusted EBITDAaL margin):

NET INCOME (LOSS), EBITDA AND ADJUSTED EBITDAaL	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Net income (loss) from continuing operations	$ 23,829	$ 1,365	NM	$ 9,242	$ (33,622)	NM
Net (loss) income from discontinued operations, including gain on disposition	$ —	$ (154)	-100.0%	$ —	$ (3,980)	-100.0%
Net income (loss)	$ 23,829	$ 1,211	NM	$ 9,242	$ (37,602)	NM
EBITDA	$ 107,330	$ 76,608	40.1%	$ 234,341	$ 180,147	30.1%
Adjusted EBITDA	$ 111,528	$ 73,048	52.7%	$ 238,054	$ 177,578	34.1%
Adjusted EBITDAaL	$ 70,731	$ 33,332	112.2%	$ 115,654	$ 56,508	104.7%
Adjusted EBITDAaL from discontinued operations	$ —	$ 471	-100.0%	$ —	$ (87)	-100.0%
Adjusted EBITDAaL including discontinued operations	$ 70,731	$ 33,803	112.2%	$ 115,654	$ 56,421	105.0%
Adjusted EBITDAaL margin from continuing operations	16.1 %	9.6 %	6.5%	10.4 %	5.9 %	4.5%

Third Quarter

Net income from continuing operations for the third quarter of 2026 was $23.8 million, compared to net income from continuing operations of $1.4 million in the prior year period. The increase in net income from continuing operations was primarily due to increased exhibition attendance compared to the prior year period.

The increased exhibition attendance in the third quarter of 2026 resulted in adjusted EBITDAaL from continuing operations of $70.7 million compared to $33.3 million in the prior year period.

Year to Date

Net income from continuing operations for the nine months ended September 30, 2026 was $9.2 million compared to a net loss from continuing operations of $33.6 million in the prior year period. The improvement was due to an increase in exhibition attendance compared to the prior year period.

The increased exhibition attendance in the nine months ended September 30, 2026 resulted in adjusted EBITDAaL from continuing operations of $115.7 million compared to $56.5 million in the prior year period.

5. BALANCE SHEETS

The following sets out significant changes to Cineplex's consolidated balance sheets during the nine months ended September 30, 2026 as compared to December 31, 2025 (in thousands of dollars):

	September 30, 2026	December 31, 2025	Change ($)	Change (%)
Assets				
Current assets				
Cash and cash equivalents	$ 137,301	$ 133,997	$ 3,304	2.5%
Trade and other receivables	63,447	108,082	(44,635)	-41.3%
Income taxes receivable	1,965	5,234	(3,269)	-62.5%
Inventories	15,741	15,901	(160)	-1.0%
Prepaid expenses and other current assets	17,340	13,286	4,054	30.5%
	235,794	276,500	(40,706)	-14.7%
Non-current assets				
Property, equipment and leaseholds	331,087	350,281	(19,194)	-5.5%
Right-of-use assets	688,055	727,129	(39,074)	-5.4%
Deferred income taxes	144,438	152,354	(7,916)	-5.2%
Interests in joint ventures	11,287	8,543	2,744	32.1%
Intangible assets	77,221	78,679	(1,458)	-1.9%
Goodwill	575,614	575,614	—	—%
Derivative financial instrument	16,910	18,380	(1,470)	-8.0%
	$ 2,080,406	$ 2,187,480	$ (107,074)	-4.9%
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$ 161,709	$ 222,956	$ (61,247)	-27.5%
Share-based compensation	9,754	—	9,754	NM
Provision for Competition Tribunal administrative monetary penalty	39,215	39,215	—	—%
Income taxes payable	92	92	—	—%
Deferred revenue and other	169,449	185,976	(16,527)	-8.9%
Lease obligations	88,258	82,484	5,774	7.0%
	468,477	530,723	(62,246)	-11.7%
Non-current liabilities				
Share-based compensation	6,590	12,449	(5,859)	-47.1%
Long-term debt	750,590	744,101	6,489	0.9%
Lease obligations	914,059	967,065	(53,006)	-5.5%
Post-employment benefit obligations	6,848	7,021	(173)	-2.5%
Other liabilities	2,469	5,613	(3,144)	-56.0%
	2,149,033	2,266,972	(117,939)	-5.2%
Shareholders' deficit				
Total shareholders' deficit	(68,627)	(79,492)	10,865	-13.7%
	$ 2,080,406	$ 2,187,480	$ (107,074)	-4.9%

Cash and cash equivalents. Cash and cash equivalents includes operations petty cash and outstanding deposits and fluctuates with business activities. The balance at September 30, 2026 is higher than December 31, 2025 due to strong operating results, working capital, and the timing of interest payments.

Trade and other receivables. The overall decrease in trade and other receivables is attributed to the collection of trade receivables from the sale of gift cards, vouchers and media sales from the 2025 holiday period, as December represents the highest volume month for gift card and voucher sales.

Income taxes receivable. The overall decrease in income taxes receivable is attributed to a refund received (see Section 4.2 Operating Results, Income Taxes).

Inventories. The decrease in inventories is primarily due to supplies inventories. The overall movement remains consistent with the prior period.

Prepaid expenses and other current assets. The increase in prepaid expenses and other current assets is primarily due to prepayments for real estate taxes.

Property, equipment and leaseholds. The decrease in property, equipment and leaseholds is due to amortization expense ($47.7 million) in excess of additions to new build and other capital expenditures ($18.0 million) and maintenance capital expenditures ($11.0 million).

Right-of-use assets. The decrease in right-of-use assets is due to lease additions, extensions and modifications (increase of $19.0 million), offset by amortization expense of $59.8 million.

Deferred income taxes. The decrease in net deferred income taxes is primarily due to a decrease in non-capital losses used to offset taxable income in 2026.

Interests in joint ventures. The increase in interests in joint ventures is primarily due to $7.2 million of capital contributions made to Cineplex's investment in Scene+, net of $4.7 million of losses in 2026.

Intangible assets. The decrease in intangible assets is due to the capitalization of software development costs ($5.4 million), offset by amortization expense ($6.8 million).

Goodwill. There was no change in goodwill for the quarter.

Derivative financial instrument. The derivative value increased by $1.5 million to $16.9 million at September 30, 2026.

Accounts payable and accrued expenses. The decrease in accounts payable and accrued expenses is primarily due to timing of the settlement of year end liabilities.

Share-based compensation. The decrease in long-term share-based compensation primarily reflects the reclassification of $9.8 million from long-term to current, as well as the impact of the change in the Common Share price, which was $12.50 per share at September 30, 2026 as compared to $10.54 at December 31, 2025 (see Section 8 Share activity). Additionally, 2024 PSU and RSU grants will be cash settled and are included as part of current liabilities.

Income taxes payable. There was no change in income taxes payable for the quarter.

Deferred revenue and other. The decrease in deferred revenue is primarily due to the redemption and associated breakage of gift cards and vouchers in excess of current period sales.

Lease obligations. The decrease in lease obligations is primarily due to $22.9 million in new, extended, and modified leases which is partially offset by $122.8 million payment of lease obligations.

Long-term debt. Long-term debt consists of the Credit Facility (nil drawn at September 30, 2026), Convertible Debentures and 2024 Notes (each as described in Section 6.4 Long-term debt).

6. LIQUIDITY AND CAPITAL RESOURCES

6.1. OPERATING ACTIVITIES

Cash flow is generated primarily from film entertainment (the sale of admission tickets and food service sales), media sales and services, location-based entertainment revenues (amusement and food service sales) and other revenues. Generally, this provides Cineplex with positive working capital, since certain cash revenues are normally collected in advance of the payment of certain expenses. Box office revenues are directly related to the success and appeal of the film product produced and distributed by the studios. The following table highlights the movements in cash from operating activities for the three and nine months ended September 30, 2026 and 2025 (in thousands of dollars):

Cash flows provided by (used in) operating activities	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Net income (loss) from continuing operations	$ 23,829	$ 1,365	$ 22,464	$ 9,242	$ (33,622)	$ 42,864
Adjustments to reconcile net income to net cash provided by operating activities:						
Depreciation and amortization of other assets (i)	17,799	19,248	(1,449)	54,521	59,194	(4,673)
Depreciation of right-of-use assets	19,814	20,132	(318)	59,849	61,215	(1,366)
Accretion of Convertible Debentures and notes payable	2,267	1,957	310	6,489	5,602	887
Other non-cash interest (ii)	115	(20)	135	303	(101)	404
Loss (gain) on disposal of assets	954	3	951	420	(187)	607
Deferred income taxes expense (recovery)	11,234	45	11,189	7,915	(11,778)	19,693
Non-cash share-based compensation	1,815	1,434	381	6,720	4,542	2,178
Loss (gain) on fair value of financial instruments	2,510	(4,240)	6,750	1,470	(2,870)	4,340
Financing fees	—	79	(79)	—	(38)	38
Net change in interests in joint ventures and associates	133	47	86	4,666	256	4,410
Changes in operating assets and liabilities	(23,345)	(13,290)	(10,055)	(34,802)	(36,742)	1,940
Net cash provided by operating activities from continuing operations	**$ 57,125**	**$ 26,760**	**$ 30,365**	**$ 116,793**	**$ 45,471**	**$ 71,322**

(i) Includes depreciation of property, equipment and leaseholds and amortization of intangible assets.
(ii) Includes accretion of asset retirement obligations and non-cash interest costs on lease obligations.

Third Quarter

Cash provided by operating activities during the third quarter of 2026 was $57.1 million compared to cash provided by operating activities of $26.8 million in the prior year period. The increase in cash provided by operating activities is primarily due to stronger operating results and the timing of the settlement of operating assets and liabilities in the period, particularly accounts receivable, accounts payable and deferred revenue compared to the prior year period.

Year to Date

For the nine months ended September 30, 2026, cash provided by operating activities was $116.8 million compared to $45.5 million in the prior year period. The increase is primarily due to stronger operating results and the timing of the settlement of operating assets and liabilities, particularly accounts receivable, accounts payable, and deferred revenue, during the year to date period.

6.2. INVESTING ACTIVITIES

The following table highlights the movements in cash used in investing activities for the three and nine months ended September 30, 2026 and 2025 (in thousands of dollars):

Cash flows used in investing activities	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Proceeds from disposal of assets, including asset related insurance recoveries	$ 113	$ (25)	$ 138	$ 115	$ 1,892	$ (1,777)
Purchases of property, equipment and leaseholds	(12,322)	(4,528)	(7,794)	(30,239)	(29,017)	(1,222)
Intangible assets additions	(1,860)	(1,985)	125	(5,071)	(6,293)	1,222
Tenant inducements	349	240	109	4,589	4,461	128
Investment in joint ventures and associates	—	—	—	(7,219)	(1,892)	(5,327)
Net cash used in investing activities from continuing operations	**$ (13,720)**	**$ (6,298)**	**$ (7,422)**	**$ (37,825)**	**$ (30,849)**	**$ (6,976)**

Third Quarter

Cash used in investing activities during the third quarter of 2026 was $13.7 million, as compared to $6.3 million in the prior year period. The increase in cash used in investing activities is primarily due to higher purchases of property, equipment and leaseholds.

Year to Date

Cash used in investing activities during the nine months ended September 30, 2026 was $37.8 million, as compared to $30.8 million in the prior year period. The increase in cash used in investing activities is primarily driven by investments in joint ventures to support the integration and launch of the Shell Canada partnership with Scene+.

Cineplex continues to focus on managing capital expenditures and believes that it has adequate liquidity to fund operations in the regions in which Cineplex operates. Components of capital expenditures include (in thousands of dollars):

Capital expenditures	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Gross capital expenditures	$ 12,322	$ 4,528	$ 7,794	$ 30,239	$ 29,017	$ 1,222
Less: tenant inducements	(349)	(240)	(109)	(4,589)	(4,461)	(128)
Net capital expenditures	**$ 11,973**	**$ 4,288**	**$ 7,685**	**$ 25,650**	**$ 24,556**	**$ 1,094**
Net capital expenditures consists of:						
Growth and acquisition capital expenditures (i)	$ 1,764	$ 1,173	$ 591	$ 10,342	$ 3,163	$ 7,179
Tenant inducements	(349)	(240)	(109)	(4,589)	(4,461)	(128)
Media growth capital expenditures	—	—	—	—	—	—
Premium formats (ii)	4,703	699	4,004	7,643	872	6,771
Maintenance capital expenditures	4,730	3,060	1,670	10,965	8,460	2,505
Other (iii)	1,125	(404)	1,529	1,289	16,522	(15,233)
	$ 11,973	**$ 4,288**	**$ 7,685**	**$ 25,650**	**$ 24,556**	**$ 1,094**

(i) Growth and acquisition capital expenditures include expenditures on the construction of new Exhibition and LBE locations.

(ii) Premium formats include capital expenditures for recliner seating, IMAX, UltraAVX, 3D, 4DX and ScreenX.

(iii) Primary component of Other is the impact of the timing of cash payments relating to the purchases of property, equipment and leaseholds.

6.3. FINANCING ACTIVITIES

The following table highlights the movements in cash from financing activities for the three and nine months ended September 30, 2026 and 2025 (in thousands of dollars):

Cash flows used in financing activities	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Financing fees	$ —	$ —	$ —	(355)	—	$ (355)
Repayments of lease obligations - principal	(22,920)	(21,329)	(1,591)	(70,304)	(68,025)	(2,279)
Common Shares repurchased and cancelled	—	—	—	(5,005)	—	(5,005)
Net cash used in financing activities from continuing operations	**$ (22,920)**	**$ (21,329)**	**$ (1,591)**	**$ (75,664)**	**$ (68,025)**	**$ (7,639)**

Third Quarter

Cash flows used in financing activities were $22.9 million during the third quarter of 2026, as compared to $21.3 million in the prior year period.

Year to Date

Cash flows used in financing activities were $75.7 million during the nine months ended September 30, 2026, as compared to cash flows used in financing activities of $68.0 million in the prior year period. The movement is primarily due to Cineplex repurchasing for cancellation 463,506 Common Shares for an aggregate amount of $5.0 million under its NCIB.

6.4. LONG-TERM DEBT

Long-term debt consists of the following as at September 30, 2026 and December 31, 2025:

	September 30, 2026		December 31, 2025	
	Book Value	Face Value	Book Value	Face Value
Credit Facilities	$ —	$ —	$ —	$ —
Convertible Debentures - 7.75% due March 1, 2030	175,590	216,250	169,101	216,250
Notes payable - 7.625% due March 31, 2029	575,000	575,000	575,000	575,000
Total	$ 750,590	$ 791,250	$ 744,101	$ 791,250

(i) Book value represents the carrying value of the debt component, which is the initial fair value of the instrument, plus cumulative accretion.

Credit facilities

2024 Credit Facility

On March 4, 2024, Cineplex entered into a new credit agreement with a syndicate of banks led by Scotiabank (the **"2024 Credit Agreement"**), terminating and replacing the Eighth Amended and Restated Credit Agreement in its entirety. On March 19, 2026, Cineplex amended the 2024 Credit Agreement to, among other things, extend the maturity date from March 4, 2027 to either September 18, 2028 (if the existing Notes Payable due March 31, 2029 have not been repaid, redeemed, or refinanced in full) or March 18, 2029. The 2024 Credit Agreement, as amended, provides for a $100 million "covenant-lite" revolving credit facility (the "**2024 Credit Facility**").

At Cineplex's election, borrowings under the 2024 Credit Agreement will bear interest at a floating rate based on the Canadian dollar prime rate, U.S. Base Rate or CORRA (Canadian Overnight Repo Rate Average) plus, in each case, an applicable margin to those rates. Borrowings are available in either Canadian or US dollars.

The 2024 Credit Agreement does not contain financial maintenance covenants, unless borrowings utilized under the agreement (including issued letters of credit) exceed 40% (the "Utilization Threshold") of the total available credit facility measured as at the end of a fiscal quarter of Cineplex. In the event that the Utilization Threshold is exceeded, Cineplex will be required to maintain a Total Leverage Ratio of not greater than 4.75 to 1.00 thereafter until the borrowings drop below 40% utilization.

As a so-called "covenant-lite" credit facility, as long as the Utilization Threshold has not been exceeded, the 2024 Credit Agreement does not restrict the discretion of Cineplex's management with respect to matters such as the payment of dividends or making certain other payments, making investments, loans and guarantees and otherwise being able to sell or dispose of assets. Cineplex's ability to take such actions when the Utilization Threshold has been exceeded requires that Cineplex's Total Leverage Ratio be less than 4.25 to 1.00, on a pro forma basis after giving effect to such payment or transaction.

The obligations under the 2024 Credit Agreement are guaranteed jointly and severally, by Cineplex and each direct or indirect restricted subsidiary of Cineplex, other than certain excluded immaterial subsidiaries.

This summary of the 2024 Credit Facility is qualified in its entirety by reference to the provisions of the 2024 Credit Agreement which contains a complete statement of those terms and conditions, and was filed on SEDAR+ on March 4, 2024, and the amendment to the 2024 Credit Agreement was filed on SEDAR+ on March 25, 2026.

The 2024 Credit Facility is drawn upon and repaid on a regular basis and as such is presented on a net basis in the Statement of Cash flows.

	Available	Drawn	Reserved	Remaining
Revolving Facility	$ 100.0	$ —	$ 7.5	$ 92.5

At September 30, 2026, Cineplex was subject to a margin of 3.25% (2025 - 3.25%) on the prime rate and margin of 4.25% (2025 - 4.25% on bankers' acceptances) on the CORRA advances plus a 0.25% (2025 - 0.25%) per annum fee for letters of credit issued. Cineplex pays a commitment fee on the daily unadvanced portion of the 2024 Credit Agreement, which will vary based on the Total Leverage Ratio and was 0.85% at September 30, 2026 (2025 - 0.85%).

Convertible debentures

Cineplex's 7.75% convertible unsecured subordinated debentures are due March 1, 2030 (the **"Convertible Debentures"**), with interest paid semi-annually on March 1 and September 1.

The Convertible Debentures are not redeemable by Cineplex prior to March 1, 2027. On or after March 1, 2027 and prior to March 1, 2029, Cineplex may, at its option, redeem the Convertible Debentures in whole or in part from time to time provided that the volume-weighted average trading price of the Common Shares on the Toronto Stock Exchange (the "TSX") during the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of redemption is given is not less than 125% of the conversion price. On or after March 1, 2029, the Convertible Debentures may be redeemed in whole or in part from time to time at the option of Cineplex at a price equal to their principal amount plus accrued and unpaid interest. Redemption may be in the form of cash or in the form of shares, at the option of Cineplex.

At the holder's option, the Convertible Debentures may be converted into shares at a conversion price of $10.29 per share at any time prior to the close of business on the earlier of: (i) five business days prior to the Maturity Date, and

(ii) if called for redemption, five business days immediately preceding the date fixed for redemption of the Convertible Debentures, at a conversion price to be determined at the time of pricing. Holders who convert their Convertible Debentures into shares will receive accrued and unpaid interest for the period from the date of the latest interest payment date to the date of conversion. Conversion of outstanding Convertible Debentures will result in the issuance of shares from treasury.

The foregoing is a summary of the key terms of the Convertible Debentures. This summary is qualified in its entirety by reference to the provisions of the Convertible Debentures trust indenture which contains a complete statement of those terms and conditions. The trust indenture for the Convertible Debentures and the Supplemental Indenture were filed on SEDAR+ on July 15, 2020 and March 4, 2024, respectively.

The fair value of the liability component of the Convertible Debentures was assessed at inception based on an estimated market discount rate of 14.88%, and will be accreted to the full face value of $216.3 million over the term of the Convertible Debentures. The residual value of $54.3 million ($70.2 million net of $15.8 million deferred income taxes) was allocated to the equity component less the pro-rata portion of transaction costs as prescribed by IFRS 9, *Financial instruments* and IAS 32, *Financial instruments: Presentation*.

The unaccreted deferred financing fees and discount as at September 30, 2026 related to the 7.75% Convertible Debentures due March 1, 2030 is $40.7 million.

Cineplex recorded cash interest expense on the Convertible Debentures of $4.2 million and $12.5 million during the three and nine months ended September 30, 2026, (2025 - $4.2 million and $12.5 million, respectively) and accretion expense of $2.3 million and $6.5 million during the three and nine months ended September 30, 2026 (2025 - $2.0 million and $5.6 million, respectively), both of which are included as part of the interest expense in the consolidated statement of operations.

As at September 30, 2026, Cineplex has $216.25 million principal amount of Convertible Debentures outstanding.

Notes Payable

The 2024 Notes (the "**Notes Payable**") (as applicable) payable are as follows:

	September 30, 2026	December 31, 2025
Face value of Notes Payable [(i)]	$ 575,000	$ 575,000
Unaccreted deferred financing fees and discount [(ii)]	—	—
Notes payable	$ 575,000	$ 575,000

(i) See descriptions of the 2024 Notes below.

(ii) No accretion of the 2024 Notes is required as the notes were initially recognized at face value. The underwriter's fees and financial asset derivative had equal values of $10.1 million.

Cineplex recorded cash interest expense on the Notes Payable of $11.2 million and $32.8 million during the three and nine months ended September 30, 2026 (2025 - $11.2 million and $32.8 million, respectively) and recorded accretion expense during the three and nine months ended September 30, 2026 of nil for both periods (2025 - $nil, for both periods), both of which are included as part of interest expense in the consolidated statement of operations. As at September 30, 2026, Cineplex has $575.0 million principal amount of 2024 Notes outstanding. Cineplex's derivative financial instrument on the outstanding 2024 Notes, as applicable, relates to the early prepayment option that fluctuates in value based on market interest rates. The fair value of the embedded derivative was determined using an option pricing model with observable market inputs and is consistent with accepted methods for valuing financial instruments. Cineplex has estimated the fair value of this embedded derivative at $16.9 million as at September 30, 2026 (December 31, 2025 - $18.4 million) which is presented on the consolidated balance sheets as a derivative financial instrument.

2024 Notes

On March 4, 2024, in connection with the 2024 Refinancing, Cineplex closed a private placement offering of $575.0 million aggregate principal amount of 7.625% senior secured notes due March 31, 2029 (the "2024 Notes"). The 2024 Notes were issued pursuant to an indenture entered into among Cineplex and TSX Trust Company, as trustee and collateral agent, dated March 4, 2024 (the "2024 Notes Indenture"). Interest is paid semi-annually on January 31 and July 31.

The 2024 Notes contain a number of prepayment options, and Cineplex recognized a fair value derivative asset of $10.1 million on issuance. Issuance costs of $10.1 million resulted in the 2024 Notes being presented at face value on the balance sheet, and no non-cash interest will be recognized.

The 2024 Notes are fully and unconditionally guaranteed, jointly and severally, by Cineplex and each direct or indirect restricted subsidiary of Cineplex that is a borrower or guarantees the obligations of Cineplex or any other borrower under the 2024 Credit Facility.

At any time from and after January 31, 2026, Cineplex may, at its option, redeem the 2024 Notes, in whole or in part, at the redemption prices set forth in the 2024 Notes Indenture, plus accrued and unpaid interest thereon to, but excluding, the applicable redemption date.

If Cineplex sells certain assets without applying the proceeds in a permitted manner, which includes purchasing assets used in business operations or making capital expenditures within 365 days of receipt thereof, Cineplex may be required to make an offer to each holder of 2024 Notes to purchase all or a portion of its Notes at 100% of the aggregate principal amount of the 2024 Notes so repurchased plus accrued and unpaid interest to, but not including, the date of repurchase. If Cineplex undergoes certain change of control events, Cineplex must make an offer to repurchase the 2024 Notes at a purchase price equal to 101% of the aggregate principal amount of the 2024 Notes so repurchased plus accrued and unpaid interest to, but not including, the date of repurchase.

If Cineplex, any guarantor or other payor is required to withhold or deduct any amount for or on account of taxes from any payment made under or with respect to the 2024 Notes or any guarantee, as the case may be, Cineplex, such guarantor or other payor, as applicable, will pay (together with such payment) such additional amounts as may be necessary so that the net amount received by each holder or beneficial owner of a 2024 Note after such withholding or deduction (including any such withholding or deduction from such additional amounts) will not be less than the amount the holder or beneficial owner would have received if such taxes had not been withheld or deducted (subject to certain exceptions).

In addition to the restrictions on asset sales and change of control events described above, the 2024 Notes Indenture contains covenants that restrict, among other things, Cineplex's ability to incur liens other than permitted liens, make restricted payments, incur certain indebtedness and enter into certain transactions with affiliates, in each case, subject to certain conditions which may include requirements for cumulative Adjusted EBITDA to exceed 1.75x cumulative Fixed Charges, and maintaining a Fixed Charge Coverage Ratio greater than 2 to 1.

The 2024 Notes Indenture contains customary events of default substantially similar to those set out in the trust indenture governing the 2021 Notes, and as more specifically set out in the 2024 Notes Indenture. Upon the occurrence of an event of default under the 2024 Notes Indenture, the trustee thereunder, acting on the instruction of the requisite majority of holders of the 2024 Notes, and subject to the Intercreditor Agreement, would be entitled to accelerate all amounts outstanding under the 2024 Notes and, upon such acceleration, to instruct the collateral agent under the Intercreditor Agreement to enforce the security granted to the lenders by Cineplex and the guarantors. Following repayment of the lenders under the 2024 Credit Facility and any other priority lien obligations under the Intercreditor Agreement, the holders of the 2024 Notes would then be repaid from the proceeds of such security, using all available assets. Only after such repayment and the payment of any other secured and unsecured creditors would the holders of common shares of Cineplex (the "Common Shares") receive any proceeds from the liquidation of Cineplex's assets.

The foregoing is a summary of the key terms of the 2024 Notes. This summary is qualified in its entirety by reference to the provisions of the 2024 Notes Indenture which contains a complete statement of those terms and conditions. The 2024 Notes Indenture was filed on SEDAR+ on March 4, 2024.

Security and Ranking

The obligations under both the 2024 Credit Facility and the 2024 Notes are secured by charges granted in favour of TSX Trust Company, as collateral agent, over substantially all of the personal and real property owned by Cineplex and its subsidiaries that are guarantors of such debt, other than certain excluded immaterial subsidiaries. The priorities of the liens securing the obligations under the 2024 Credit Agreement and the 2024 Notes are governed by the terms of a collateral agent and intercreditor agreement (the "Intercreditor Agreement"). Pursuant to the Intercreditor Agreement and the security granted in connection therewith: (i) the 2024 Notes rank effectively junior, to the extent of the value of the collateral, to Cineplex's and the guarantor's obligations under the 2024 Credit Agreement and any other priority lien debt set out therein; (ii) rank pari passu in right of payment with all existing and future senior indebtedness of Cineplex and the guarantors and senior in right of payment to any future subordinated indebtedness of Cineplex and the guarantors; (iii) rank effectively senior to any existing and future unsecured obligations of Cineplex and the guarantors to the extent of the value of the collateral securing the 2024 Notes (subject to the prior payment of any priority lien debt including under the 2024 Credit Agreement); and (iv) are structurally subordinated to all existing and future indebtedness, claims of holders of preferred stock and other liabilities of subsidiaries of Cineplex that do not guarantee the 2024 Notes.

6.5. FUTURE OBLIGATIONS

Cineplex has aggregate gross capital commitments of $4.2 million ($1.6 million net of tenant inducements) related to the completion of construction of premium experiences and recliners.

Management will continue to assess its future capital spending taking into consideration its legal commitments, and requirements of the business on a short and long-term basis and believes that it has adequate liquidity to fund operations.

Cineplex conducts a significant part of its operations in leased premises. Cineplex's leases generally provide for minimum rent and a number of the leases also include percentage rent based primarily upon sales volume. Cineplex's leases may also include escalation clauses, guarantees and certain other restrictions, and generally require it to pay a portion of the real estate taxes and other property operating expenses. Initial lease terms generally range from 15 to 20 years and contain various renewal options, generally in intervals of five to ten years.

7. ADJUSTED FREE CASH FLOW AND DIVIDENDS (see Section 16 Non-GAAP and other financial measures)

7.1. ADJUSTED FREE CASH FLOW

The following table illustrates adjusted free cash flow per share for the three and nine months ended September 30, 2026 and 2025 and measures relevant to the discussion of adjusted free cash flow per share (expressed in thousands of dollars except shares outstanding):

	Third Quarter			Year to Date		
	2026	2025	Change	2026	2025	Change
Cash flows provided by operating activities from continuing operations	$ 57,125	$ 26,760	113.5 %	$ 116,793	$ 45,471	156.9%
Net income (loss) from continuing operations	$ 23,829	$ 1,365	NM	$ 9,242	$ (33,622)	NM
Standardized free cash flow (i)	$ 44,916	$ 22,207	102.3 %	$ 86,669	$ 18,346	372.4%
Adjusted free cash flow (i)	$ 52,914	$ 15,504	241.3 %	$ 67,902	$ 6,780	NM
Weighted average number of Common Shares outstanding	63,005,557	63,440,104	-0.7 %	63,016,953	63,431,621	-0.7%
Adjusted free cash flow per share (i)	$ 0.840	$ 0.244	244.3 %	$ 1.078	$ 0.107	NM
(i) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.						

Adjusted free cash flow per share increased during the third quarter due to stronger operating results, driven by record quarterly revenues.

7.2. DIVIDENDS

Cineplex's dividend policy is subject to the discretion of the Board and may vary depending on, among other things, Cineplex's results of operations, cash requirements, financial condition, contractual restrictions, business opportunities, provisions of applicable law and other factors that the Board may deem relevant. Cineplex does not expect to return to paying dividends until liquidity has improved and a target leverage ratio (excluding convertible debentures) of 2.5x to 3.0x is achieved. Cineplex has not paid any dividends after the dividend that was paid on February 28, 2020.

8. SHARE ACTIVITY

Share capital balances at September 30, 2026 and 2025 and transactions during the periods are as follows: (expressed in thousands of dollars except share amounts):

	Shares	Amount
	Number of Common Shares issued and outstanding	Share capital
Balance - December 31, 2025	63,466,340	$ 851,118
Issuance of Common Shares on exercise of options	5,480	100
Shares repurchased and cancelled under the normal course issuer bid	(463,506)	(6,319)
Balance - September 30, 2026	**63,008,314**	**$ 844,899**

	Shares	Amount
	Number of Common Shares issued and outstanding	Share capital
Balance - December 31, 2024	63,423,010	$ 853,667
Issuance of shares on exercise of options	17,462	197
Balance - September 30, 2025	**63,440,472**	$ 853,864

Normal Course Issuer Bid (NCIB)

On August 24, 2026, the TSX accepted Cineplex's notice of intention to renew its NCIB. Under the NCIB, Cineplex is authorized to purchase for cancellation, as opportunities arise from time to time over the 12 month period beginning on August 26, 2026, up to 6,251,893 Common Shares, or approximately 10% of its public float of 62,518,933 Common Shares issued and outstanding as of August 14, 2026. Purchases under the NCIB, subject to certain restrictions under its current debt agreements (see Section 6.4 Long-term debt), will be made through the facilities of the TSX or through alternative Canadian trading systems and in accordance with applicable regulatory requirements at a price per Common Share equal to the market price at the time of acquisition.

Cineplex was permitted to begin purchasing Common Shares under the NCIB on or about August 26, 2026 and the bid will terminate on August 25, 2027 or such earlier time as Cineplex completes its purchases pursuant to the bid or provides notice of termination. Any Common Shares purchased under the NCIB will be cancelled upon their purchase. Cineplex intends to fund the purchases out of its available cash.

In connection with the NCIB, Cineplex has established an automatic share purchase plan (the "Plan"), effective August 26, 2026, with its designated broker that contains specified parameters regarding how its Common Shares may be purchased under the NCIB during times when Cineplex would ordinarily not be permitted to purchase Common Shares due to regulatory restrictions or self-imposed blackout periods. Cineplex may elect to suspend or discontinue its NCIB in accordance with certain conditions set forth in the Plan.

Cineplex renewed its NCIB because the Board believes that the repurchase of Common Shares would be in the best interest of Cineplex and its shareholders, and would represent an attractive and appropriate allocation of capital. Decisions regarding the amount and timing of future purchases of Common Shares will be based on market conditions, share price and other factors.

Under its prior NCIB that commenced on August 26, 2025 and terminated on August 25, 2026, Cineplex previously sought and received approval from the TSX to repurchase up to 6,294,809 Shares. During and pursuant to its previously authorized NCIB, Cineplex purchased an aggregate of 1,100,108 Common Shares through the TSX and through alternative Canadian trading systems.

Omnibus Incentive Plan

On November 12, 2020, Cineplex's Board approved an Omnibus Incentive Plan (the "Incentive Plan"). This plan supersedes the former incentive plans (collectively, the "Legacy Plan") that included Options, Performance Share Units ("PSUs") and Restricted Share Units ("RSUs"). All employees and consultants are eligible to participate in the Incentive Plan. The Incentive Plan consists of stock options, RSUs and PSUs. Awards of RSUs and PSUs are granted during a service year subject to a service period as determined by management at the time of issuance. The aggregate number of Common Shares that may be issued under the Incentive Plan is 7,364,963 provided that no more than 3,500,000 Common Shares may be issued in aggregate pursuant to the settlement of RSUs and PSUs. The base Common Share equivalents granted as RSU and PSU awards attract compounding notional dividends at the same rate as outstanding Common Shares, which are notionally re-invested as additional base Common Share equivalents. PSU and RSU awards may be settled in Common Shares issued from treasury, cash, or a mix of Common Shares and cash, at Cineplex's option at the time of settlement. As at September 30, 2026, 2,245,584 (2025 - 2,873,451) Common Shares are available to be issued under the Incentive Plan for settlement of RSUs and PSUs. Options that were issued prior to the Incentive Plan and are subsequently cancelled are available to be issued under the Incentive Plan.

Stock Options

Stock options issued under the Incentive Plan are administered by Cineplex's Board of Directors which establishes the exercise price at the time each option is granted, which in all cases is not to be less than the market price on the grant date. All of the options must be exercised over specified periods not to exceed ten years from the date granted. Options issued under the Incentive Plan may be exercised for cash or on a cashless basis, both of which result in the issuance of Common Shares from treasury. Options granted are accounted for as equity-settled.

Cineplex recognized employee benefits expense of $0.4 million and $1.1 million with respect to options during the three and nine months ended September 30, 2026 (2025 - $0.4 million and $1.2 million, respectively).

A summary of option activities for the nine months ended September 30, 2026 and 2025 is as follows:

	2026			2025	
	Weighted average remaining contractual life (years)	Number of underlying Common Shares	Weighted average exercise price	Number of underlying Common Shares	Weighted average exercise price
Options outstanding - January 1	6.08	2,753,426	$ 14.57	2,735,869	15.00
Granted		509,841	9.81	454,511	11.28
Exercised		(29,973)	10.00	(64,492)	8.31
Forfeited		(7,058)	28.00	(167,546)	15.24
Options outstanding, September 30	5.98	3,226,236	$ 13.83	2,958,342	$ 14.56
Options vested and exercisable		2,035,093		1,811,705	

Upon cashless exercises, the options exercised in excess of Common Shares issued are cancelled and returned to the pool available for future grants. At September 30, 2026, 1,163,937 options (2025 - 1,471,914) are available for grant.

RSU and PSU awards

	PSU Share equivalents granted	RSU Share equivalents granted	PSU Share equivalents minimum payout	PSU Share equivalents maximum payout
2026 LTIP awards granted in Q1 2026	310,790	411,792	—	621,580
2025 LTIP awards granted in Q1 2025	299,250	404,536	—	598,500
2024 LTIP awards granted in Q1 2024	381,265	541,347	—	762,530

RSU

During the first quarter of 2026, Cineplex issued 411,792 equity-settled RSUs with a fair value of $9.81 per unit (total fair value of $4.0 million on issuance). The fair value was initially assessed based on Cineplex's closing Common Share price on the grant date. The RSUs issued will vest in the third quarter of 2028.

PSU

During the first quarter of 2026, Cineplex issued 310,790 equity settled PSUs with a fair value of $9.81 per unit (total fair value of $3.0 million on issuance). The fair value was assessed based on Cineplex's closing Common Share price on the grant date. The PSU awards issued will vest in the third quarter of 2028.

Compensation expense is recorded based on the number of units expected to vest, the current market price of Cineplex's Common Shares, and the application of a performance multiplier that ranges from a minimum of zero to a maximum of two. Performance multipliers are developed based on Total Shareholder Return percentile rank relative to a select peer group and composite group. Participants will receive fully paid Common Shares issued from treasury that can vary depending on the achievement of established performance targets. Performance conditions are reflected in Cineplex's estimate of the grant-date fair value for equity instruments granted.

Incentive Plan costs are estimated at the grant date based on expected performance results then accrued and recognized on a graded basis over the vesting period. Forfeitures are estimated to be nominal based on historical forfeiture rates. Cineplex recognized compensation expense of $3.0 million and $9.2 million for the three and nine months ended September 30, 2026 (2025 - $2.4 million and $5.7 million, respectively) under the Incentive Plan relating to RSU and PSU awards. At September 30, 2026, $9.8 million (2025 - $7.1 million) was included in share-based compensation liability and $6.2 million in contributed surplus (2025 - $6.5 million).

Deferred equity units

Members of the Board of Directors and certain officers of Cineplex may elect to defer a portion of their compensation in the form of deferred equity units. Cineplex recognized compensation expense of $0.6 million and $1.2 million during the three and nine months ended September 30, 2026 (2025 - $0.3 million expense and $0.4 million recovery, respectively) associated with the deferred equity units. At September 30, 2026, $6.6 million (2025 - $7.9 million) was included in non-current share-based compensation liability.

9. SEASONALITY AND QUARTERLY RESULTS

Historically, Cineplex's revenues have been seasonal, coinciding with the timing of major film releases as the most marketable motion pictures were traditionally released during the summer and holiday seasons in Canada. This caused changes from quarter to quarter in theatre attendance, affecting theatre exhibition and Cinema Media revenues and operating cash flows. The timing, quantity, and quality of film releases can have a significant impact on Cineplex's results of operations, and the results of one period are not necessarily indicative of future results. Cineplex's diversification into other businesses such as media advertising and location-based entertainment, which are not dependent on motion picture content, has contributed to reduce the impact of this seasonality on Cineplex's consolidated results. To meet working capital requirements during lower revenue quarters, Cineplex can draw upon the 2024 Credit Facility, which had nil drawn at September 30, 2026 and had cash on hand of $137.3 million available as of September 30, 2026, subject to restrictions described above (Section 6.4 Long-term debt).

Summary of Quarterly Results (in thousands of dollars except per share, per patron, theatre attendance and theatre location and screen data, unless otherwise noted):

	2026			2025				2024
	Q3	Q2	Q1	Q4	Q3	Q2 **(Section 1) (iii)**	Q1 **(Section 1) (iii)**	Q4 **(Section 1) (iii)**
Revenues								
Box office revenues	**$215,681**	$176,215	$127,393	$140,723	$159,478	$158,475	$101,911	$147,728
Food service revenues	**161,971**	144,515	108,220	117,689	130,314	130,375	91,489	120,309
Media revenues	**19,143**	20,161	13,906	33,831	19,212	19,311	17,148	30,077
Amusement revenues	**25,740**	22,294	25,972	23,218	25,689	24,183	28,500	22,448
Other revenues	**17,664**	20,539	15,492	19,307	14,245	16,993	12,675	20,334
	440,199	383,724	290,983	334,768	348,938	349,337	251,723	340,896
Expenses								
Film cost	**120,583**	98,473	69,372	76,414	89,114	87,643	54,155	78,628
Cost of food service	**36,596**	33,408	25,143	26,332	29,771	30,838	23,413	27,088
Depreciation - right-of-use assets	**19,814**	20,080	19,955	20,681	20,132	20,380	20,703	19,930
Depreciation and amortization - other	**17,799**	18,317	18,405	18,966	19,248	19,779	20,167	19,657
(Gain) loss on disposal of assets	**954**	(298)	(236)	12	3	(36)	(154)	218
Other costs including employee benefits	**172,021**	167,943	150,446	154,478	157,548	156,407	144,355	156,268
	367,767	337,923	283,085	296,883	315,816	315,011	262,639	301,789
Subtotal	**$72,432**	$ 45,801	$ 7,898	$ 37,885	$ 33,122	$ 34,326	$(10,916)	$ 39,107
Adjusted EBITDA (i)	**$111,528**	$ 81,808	$ 44,718	$ 75,542	$ 73,048	$ 74,621	$ 29,909	$ 76,382
Adjusted EBITDAaL (i)	**$70,731**	$ 40,799	$ 4,124	$ 35,052	$ 33,332	$ 33,894	$(10,718)	$ 35,804
Net (loss) income from continuing operations	**$23,829**	$ 7,802	$(22,389)	$ (3,302)	$ 1,365	$ 143	$(35,130)	$ (631)
Net (loss) income from discontinued operations, including gain on disposition	—	—	—	3,671	(154)	(2,341)	(1,485)	3,963
Net (loss) income	**$23,829**	$ 7,802	$(22,389)	$ 369	$ 1,211	$ (2,198)	$(36,615)	$ 3,332
(Loss) earnings per share from continuing operations - basic	**$ 0.38**	$ 0.12	$ (0.36)	$ (0.05)	$ 0.02	$ 0.00	$ (0.55)	$ (0.01)
Earnings per share from discontinued operations - basic	**$ —**	$ —	$ 0.00	$ 0.06	$ 0.00	$ (0.03)	$ (0.02)	$ 0.06
(Loss) earnings per share - basic	**$ 0.38**	$ 0.12	$ (0.36)	$ 0.01	$ 0.02	$ (0.03)	$ (0.58)	$ 0.05
(Loss) earnings per share from continuing operations - diluted	**$ 0.34**	$ 0.12	$ (0.36)	$ (0.05)	$ 0.02	$ 0.00	$ (0.55)	$ (0.01)
Earnings per share from discontinued operations - diluted	**$ —**	$ —	$ 0.00	$ 0.06	$ 0.00	$ (0.03)	$ (0.02)	$ 0.06
(Loss) earnings per share - diluted	**$ 0.34**	$ 0.12	$ (0.36)	$ 0.01	$ 0.02	$ (0.03)	$ (0.58)	$ 0.05
Cash (used in) provided by operating activities from continuing operations	**$57,125**	$ 74,430	$(14,762)	$ 76,562	$ 26,760	$ 47,418	$(28,707)	$100,009
Cash used in investing activities from continuing operations	**(13,720)**	(12,374)	(11,731)	(12,121)	(6,298)	(7,374)	(17,177)	(23,998)
Cash (used in) provided by financing activities from continuing operations	**(22,920)**	(23,094)	(29,650)	(28,891)	(21,329)	(22,109)	(24,587)	(26,510)
Effect of exchange rate differences on cash from continuing operations	**—**	—	—	—	—	—	—	—
Net change in cash from continuing operations	**$20,485**	$ 38,962	$(56,143)	$ 35,550	$ (867)	$ 17,935	$(70,471)	$ 49,501
Cash flows (used in) provided by discontinued operations	**$ —**	$ —	$ —	$ 59,793	$ (2,545)	$ 6,181	$ 4,549	$ 2,578
BPP (ii)	**$ 14.54**	$ 13.91	$ 12.94	13.87	$ 13.23	$ 13.68	$ 12.14	13.26
CPP (ii)	**$ 9.99**	$ 10.26	$ 9.54	9.92	$ 9.65	$ 10.04	$ 9.13	9.41
Film cost percentage (ii)	**55.9 %**	55.9 %	54.5 %	54.3 %	55.9 %	55.3 %	53.1 %	53.2 %
Theatre attendance (in thousands of patrons) (ii)	**14,833**	12,666	9,842	10,148	12,054	11,583	8,392	11,141

Theatre locations (at period end)	**152**	152	153	154	155	155	156	156
Theatre screens (at period end)	**1,595**	1,595	1,600	1.606	1,607	1,607	1,617	1.617

(i) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.

(ii) Represents a supplementary financial measure. See Section 16 Non-GAAP and other financial measures.

(iii) The results of discontinued operations have been excluded from prior period figures as applicable per IFRS 5 to conform to the current period presentation. All amounts are from continuing operations unless otherwise noted. See Section 12 Accounting policies.

Summary of adjusted free cash flow by quarter

Management calculates adjusted free cash flow per share as follows (see Section 16 Non-GAAP and other financial measures, for a discussion of adjusted free cash flow) (in thousands of dollars except per share data and number of Common Shares outstanding):

	2026			2025				2024
	Q3	Q2	Q1	Q4	Q3	Q2 (Section 1) (iii)	Q1 (Section 1) (iii)	Q4 (Section 1) (iii)
Cash provided by (used in) operating activities	**$ 57,125**	$ 74,430	$ (14,762)	$ 76,562	$ 26,760	$ 47,418	$ (28,707)	$ 100,009
Less: Total capital expenditures net of proceeds on sale of assets	**(12,209)**	(9,161)	(8,754)	(11,066)	(4,553)	(6,650)	(15,922)	(22,568)
Standardized free cash flow	**44,916**	65,269	(23,516)	65,496	22,207	40,768	(44,629)	77,441
Add/(Less):								
Changes in operating assets and liabilities	**23,345**	(21,098)	32,555	(32,806)	13,290	(4,744)	28,196	(53,997)
Changes in operating assets and liabilities of joint ventures	**—**	(1)	1	(50)	(184)	(53)	12	(82)
Principal component of lease obligations	**(22,920)**	(23,094)	(24,290)	(21,744)	(21,329)	(22,109)	(24,587)	(21,915)
Principal portion of cash rent paid not pertaining to current period	**(435)**	(435)	1,313	(422)	(422)	(422)	1,274	(410)
Growth capital expenditures and other	**7,479**	5,284	6,396	2,593	1,478	3,269	13,903	16,200
Share of income (loss) of joint ventures, net of non-cash depreciation	**529**	(2,092)	(1,304)	(2,002)	543	172	109	(2,530)
Financing fees	**—**	—	—	17	(79)	—	117	—
Adjusted free cash flow (i)	**$ 52,914**	$ 23,833	$ (8,845)	$ 11,082	$ 15,504	$ 16,881	$ (25,605)	$ 14,707
Average number of Common Shares outstanding	**63,005,557**	63,002,834	63,042,878	63,592,001	63,440,104	63,430,021	63,424,568	63,324,212
Adjusted free cash flow per share (ii)	**$ 0.840**	$ 0.378	$ (0.140)	$ 0.174	$ 0.244	$ 0.266	$ (0.404)	$ 0.232

(i) Represents a non-GAAP financial measure. See Section 16 Non-GAAP and other financial measures.

(ii) Represents a non-GAAP ratio. See Section 16 Non-GAAP and other financial measures.

(iii) The results of discontinued operations have been excluded from prior period figures as applicable per IFRS 5 to conform to the current period presentation. All amounts are from continuing operations unless otherwise noted. See Section 12 Accounting policies.

10. RELATED PARTY TRANSACTIONS

Cineplex may have transactions in the normal course of business with entities whose management, directors or trustees are also directors of Cineplex. Any such transactions are in the normal course of operations and are measured at market-based exchange amounts. Unless otherwise noted, these transactions are not considered related party transactions for financial statement purposes.

11. MATERIAL ACCOUNTING JUDGMENTS AND ESTIMATION UNCERTAINTIES

Cineplex makes estimates and assumptions concerning the future that may not equal actual results. The following are the estimates and judgments applied by management that most materially impact Cineplex's consolidated financial statements. These estimates and judgments have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Goodwill and long lived assets - recoverable amount

Cineplex tests at least annually whether goodwill suffered any impairment. Assessment of impairment for long-lived assets, including property, equipment, leaseholds, right-of-use assets, intangible assets and goodwill is performed as specific events or circumstances dictate triggering events and changes in circumstances indicate that the carrying amount of the asset group may not be fully recoverable. Management makes assumptions and estimates in determining the recoverable amount of its long lived assets and groups of CGUs' goodwill, including significant key assumptions relating to attendance and the related revenue growth rates and discount rates. Further, other assumptions are required pertaining to variable and fixed cash flows, and operating margins.

At the end of each future reporting period Cineplex will assess whether there are indications that the impairment loss recognized for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, Cineplex will estimate the recoverable amount of that asset and may reverse previously recorded impairment.

Revenue recognition - gift cards and prepaid certificates

Management estimates the value of gift cards that are not expected to be redeemed by customers, based on the terms of the gift cards and historical redemption patterns, including industry data. The estimates are reviewed annually, or when evidence indicates the existing estimate is not valid.

Income taxes

The timing of reversal of timing differences and the expected income allocation to various tax jurisdictions within Canada affect the effective income tax rate used to compute the deferred income tax asset. In addition, management occasionally estimates the current or future deductibility of certain expenditures, affecting current or deferred income tax balances and expenses.

Lease terms

Some leases of property contain extension options exercisable by Cineplex up to one year before the end of the non-cancellable contract period. Where practicable, Cineplex seeks to include extension options in new leases to provide operational flexibility. In determining the lease term, Cineplex considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The assessment is reviewed upon a trigger by a significant event or a significant change in circumstances.

12. ACCOUNTING POLICIES

Basis of preparation and measurement

IAS 34, *Interim Financial Reporting*

Cineplex prepares its unaudited interim condensed consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), applicable to the preparation of interim financial statements, under International Accounting Standard 34, *Interim Financial Reporting*. The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires that management exercise judgment in applying Cineplex's accounting policies. The disclosures contained in these unaudited interim condensed consolidated financial statements do not contain all requirements of IFRS Accounting Standards for annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2025. These unaudited interim condensed consolidated financial statements follow the same accounting policies and methods of application as the audited financial statements for the year ended December 31, 2025, with the exception of accounting standards adopted in 2026.

Accounting standards issued

Management of Cineplex reviews all changes to the IFRS when issued. The International Accounting Standards Board ("IASB") has published a number of amendments to existing accounting standards effective for years beginning on or after January 1, 2026. The following amendments have been adopted or are being evaluated by Cineplex:

IFRS 9, *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. Cineplex assessed the amendments effective January 1, 2026 and found its prior accounting was consistent with the amended standard with no material impact on the interim condensed consolidated financial statements, including in respect of outstanding cheques. No changes to classification or measurement were required and comparative information was not restated.

IFRS 18, *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, changes to IAS 7, *Statement of Cash Flows*, including requirements for presentation of interests and dividends paid as financing cash flows and interests received as investing cash flows, new 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. Cineplex is assessing the impacts to the consolidated financial statements.

13. RISKS AND UNCERTAINTIES

Cineplex is exposed to a number of risks and uncertainties in the normal course of business that have the potential to affect operating performance. Cineplex has operating and risk management strategies and insurance programs to help minimize these operating risks and uncertainties. In addition, Cineplex has entity level controls and governance procedures including a corporate code of business conduct and ethics, whistle blowing procedures, clearly articulated corporate values and detailed policies outlining the delegation of authority within Cineplex.

Cineplex conducts an annual enterprise risk management assessment which is overseen by Cineplex's executive management team and the Audit Committee, and is reported to the Board. The enterprise risk management framework sets out principles and tools for identifying, evaluating, prioritizing and managing risk effectively and consistently across Cineplex. On an annual basis, all members of senior management participate in a detailed review of enterprise risk in four major categories: environmental risks, process risks, information risks and business unit risks. The results of such analysis are presented to the Audit Committee for its review and then reviewed with the whole of the Board. In addition, Cineplex monitors risks and changing economic conditions on an ongoing basis and adapts its operating strategies as required.

Any discussion about risks should be read in conjunction with "Forward-Looking Statements." The principal risks and uncertainties described in the Annual MD&A have not materially changed since December 31, 2025. For a detailed discussion on the risks and uncertainties relating to Cineplex, see the section titled "*Risks and Uncertainties*" in the Annual MD&A.

14. CONTROLS AND PROCEDURES

14.1. DISCLOSURE CONTROLS AND PROCEDURES

Cineplex's management is responsible for establishing and maintaining disclosure controls and procedures for Cineplex as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to Cineplex, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer by others within those entities, particularly during the period in which the annual filings are being prepared.

14.2. INTERNAL CONTROLS OVER FINANCIAL REPORTING

Cineplex's management is responsible for designing and evaluating the effectiveness of internal controls over financial reporting for Cineplex as defined under National Instrument 52-109 issued by the Canadian Securities Administrators. Management has designed such internal controls over financial reporting using the Internal Control - Integrated Framework: 2017 issued by the Committee of Sponsoring Organizations of the Treadway Commission, or caused them to be designed under its supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS Accounting Standards.

There has been no change in Cineplex's internal controls over financial reporting that occurred during the most recently completed interim period that has materially affected, or is reasonably likely to materially affect, Cineplex's internal control over financial reporting.

15. OUTLOOK

The following discussion is qualified in its entirety by the caution regarding forward-looking statements at the beginning of this MD&A and Section 13 Risks and uncertainties.

FILM ENTERTAINMENT AND CONTENT

Theatre Exhibition

Following the strongest summer box office in the history of both Cineplex and the exhibition industry, Cineplex believes that compelling content will continue to strengthen consumer enthusiasm for the theatrical movie-going experience and will bring people to Cineplex theatres for the remainder of 2026 and beyond. There is a strong slate of films scheduled for release during the remainder of the year including: *Cat in the Hat, Godzilla Minus Zero, Focker-In-Law, Hexed, The Hunger Games: Sunrise on the Reaping, Avengers: Doomsday, Dune: Part 3, Jumanji: Open World,* and *Werwulf.* Cineplex remains encouraged by the commitments from non-traditional studios and international content which further validate the importance of the cinematic experience and the role theatrical exhibition plays in elevating content to its full potential. In addition, recent industry developments, including Paramount's commitment following its merger with Warner Bros to maintain a 45 day theatrical window, increase film output, enhance marketing support for theatrical releases, and maintain stable film rental terms, reinforce the importance of the theatrical release model and provide greater visibility into the long-term content pipeline available to exhibitors.

Cineplex continues to focus on providing guests with a variety of premium viewing options through which to enjoy the theatre experience. These premium-priced offerings, which include UltraAVX, VIP Cinemas, IMAX, D-BOX, 3D, 4DX, Cineplex Clubhouse, and ScreenX generate higher revenues per patron and expand the customer base. Cineplex believes that these premium formats provide an enhanced guest experience and will continue to charge a ticket price premium for films and events presented in these formats. Cineplex will continue to expand those offerings throughout its circuit for the remainder of 2026 and beyond.

Cineplex also offers a range of value and loyalty programs aimed at driving attendance and repeat visitation, including its CineClub membership, Scene+ partner offers, discounted ticket initiatives and other pricing and promotional programs. These offerings are accessible across Cineplex's businesses nationwide including Cineplex theatres, and LBE venues.

Cineplex will continue to use data analytics and marketing personalization to drive theatrical and LBE visitation, and food and gaming purchase incidence. Cineplex continues to hold its North American leadership position in alternative programming, primarily driven by international films.

Cineplex is also focused on maintaining and improving the guest experience, including investing in recliner seating, laser projection upgrades, and will continue to expand those offerings throughout its circuit. VIP Cinemas and other premium viewing options are a key component to Cineplex's theatre exhibition strategy, and continue to be valued by audiences.

Theatre Food Service and Other

Cineplex's core focus is on operational execution, marketing and providing the optimal product mix to provide further growth in this area. As part of this strategy, Cineplex continues to expand its product offering through its in-house brands across the circuit and its VIP cinema menu offerings. Cineplex also leverages mobile technology to enhance the food service experience in its theatres and has VIP in-seat service. Cineplex continues to focus on its home delivery services of concessions in partnership with Uber Eats, SkipTheDishes, and DoorDash, and food offerings made available through Too Good To Go. In addition, Cineplex is driving growth through merchandise sales, including film-related collectibles and branded items, which complement its food and beverage offerings, and as of March 2026 has expanded merchandise sales through online channels. Management anticipates the strong film slate set to release in the balance of 2026 and beyond will drive attendance, which correlates with higher concession revenue.

Alternative Programming & Distribution

Cineplex Pictures focuses on the acquisition of feature film rights for both theatrical release and in home release in Canada for various licensors for all markets or selected markets within Canada. Upcoming films that will be distributed as part of the extended partnership with Lionsgate include: *The Hunger Games: Sunrise on the Reaping, Karoshi,* and *Day Drinker.*

Cineplex offers a wide variety of alternative programming, including international film programming; the popular *Metropolitan Opera Live in HD* series; sports programming including FIFA World Cup games earlier in the year; and various concert performances by popular recording artists. Cineplex continues to look for compelling content to offer as alternative content to attract a wider audience to its locations, in addition to adding dedicated event screens.

Amusement

Cineplex continues to enhance the guest experience through in-theatre gaming, including XSCAPE amusement revenues and meeting strong consumer demand for out-of-home entertainment.

CINEMA MEDIA

As advertising messaging competes to break through increasing media clutter, cinema advertising offers a differentiated, big-screen, sound-on environment that delivers high impact with attractive demographics. Research has shown that cinema media advertising reaches the most sought-after demographics, as well as Canada's high-income households and educated populations. Recent Canadian research conducted by Amplified for Cineplex Media found that cinema generated the highest attention among the media environments assessed and was associated with stronger short-term advertising response and longer-term brand memory—important indicators of advertising effectiveness that reinforce the value of cinema as a brand-building channel. With a strong content slate for the balance of 2026 and beyond, Cineplex believes its cinema media business is well positioned for continued growth through innovative media offerings within its theatre network. These include the recently launched Pre-Show Programmatic solution, data-enabled retargeting within digital environments, and the recent expansion of sales to include Landmark Cinemas as of January 2026. Cineplex Media continues to sell media for CDM DOOH clients and LBE. As part of the CDM Sale Transaction, Cineplex has entered into a five year agreement to continue as CDM's exclusive advertising sales agent for CDM operated digital-out-of-home networks across Canada.

Cineplex Media's revenues are impacted by venue traffic, economic factors, global sporting events including Olympics and FIFA World Cup, and client marketing strategies. Given the challenges in the overall advertising market due to economic uncertainty, trade matters, and consumer confidence, cinema media revenues decreased during the quarter. Cineplex expects the challenging advertising market to persist in the near-term. Cineplex expects advertisers to continue to leverage cinema channels and data to better serve advertising customers and grow revenues.

LOCATION-BASED ENTERTAINMENT

Cineplex's LBE business features entertainment destination locations that cater to a wide range of guests through *The Rec Room,* a social entertainment destination targeting millennials featuring a wide range of entertainment options including redemption, video, recreational gaming, attractions, and a live entertainment venue for watching a wide range of entertainment programming, and *Playdium*, complexes specially designed for teens and families. *The Rec Room* is complemented with an upscale casual dining environment, as well as an expansive bar with a wide range of digital monitors and a large screen for watching sporting events and bookings for corporate events. Cineplex will continue to add attractions to enhance the guest experience and build new locations to drive growth.

Cineplex opened one new location in the second quarter of 2026, *Playdium Vaughan*, in Vaughan, Ontario.

LOYALTY

Membership in the Scene+ loyalty program reached 16 million members as at September 30, 2026. The growth in the Scene+ loyalty program provides Cineplex with opportunities to grow its customer base across all of its businesses, including Scene+'s ability to engage members who are not existing Cineplex customers. In 2026, Scene+ launched a partnership with Shell Canada, giving members even more everyday ways to earn and redeem points, nationwide.

CORPORATE

On October 23, 2024, Cineplex filed its Notice of Appeal with the Federal Court of Appeal and, with the Competition Bureau's consent, was granted a stay regarding payment of the Competition Tribunal's $39.2 million administrative monetary penalty pending the Federal Court of Appeal's decision. The appeal was heard on October 8, 2025.

On January 23, 2026, the Federal Court of Appeal upheld the decision of the Competition Tribunal, including the $39.2 million administrative monetary penalty and costs. On March 23, 2026, Cineplex filed its application seeking leave to appeal to the Supreme Court of Canada and, with the Competition Bureau's consent, was granted an interim stay regarding payment of the administrative monetary penalty and costs pending the Supreme Court of Canada's decision on Cineplex's application seeking leave to appeal.

On November 7, 2025, Cineplex completed the sale of its digital place-based media division, CDM. The proceeds from the CDM Sale Transaction will be used for share repurchases under Cineplex's NCIB, debt reduction and for general corporate purposes, subject to certain restrictions under Cineplex's current debt agreements.

STRATEGIC REVIEW

Cineplex enters the remainder of 2026 with a strong market position, powerful consumer brands, and a diversified portfolio of leading entertainment assets. On September 23, 2026, Cineplex announced that its Board had initiated a Strategic Review to evaluate opportunities to enhance and maximize value for all shareholders. As part of the Strategic Review, the Board will consider a range of alternatives, including, but not limited to, a potential sale of Cineplex. The Strategic Review is being conducted under the oversight of the Board, working closely with Ellis Jacob in his capacity as special advisor to the Board, and with the assistance of Cineplex's financial and legal advisors and senior management. The Board and management team remain committed to executing Cineplex's strategic priorities and continuing to grow the business while the Strategic Review is underway, including serving guests, investing in Cineplex's businesses and delivering long-term value for shareholders.

No decisions have been made regarding any particular strategic alternative, and no timetable has been established for completion of the Strategic Review. There can be no assurance that the Strategic Review will result in any transaction, agreement or other strategic outcome. Cineplex does not intend to disclose developments relating to the Strategic Review unless and until it determines that disclosure is appropriate or required under applicable securities laws.

FINANCIAL OUTLOOK

Cineplex remains confident in the long-term fundamentals of theatrical exhibition and the other businesses it operates. As film supply continues to strengthen, Cineplex expects to benefit from the significant operating leverage due to its fixed cost structure which supports improved profitability, stronger cash flow generation, and continued deleveraging. Over the last two years, Cineplex has executed several important strategic initiatives designed to reduce leverage, improve financial flexibility, and position Cineplex for accelerated long-term growth. These initiatives contributed to a reduction in Cineplex's simple leverage ratio from 5.5x in 2024 to 4.8x in 2025 and further to 2.9x as at the third quarter of 2026, which represents the first time the ratio has been within the target simple leverage ratio range since December 31, 2019. Simple leverage ratio is calculated by dividing net debt by Adjusted EBITDAaL. Net debt is calculated as the face value of long-term debt, excluding convertible debentures, less cash and cash equivalents.

16. NON-GAAP AND OTHER FINANCIAL MEASURES

National Instrument 52-112, *Non-GAAP and Other Financial Measures Disclosure* ("NI 52-112") imposes obligations regarding disclosure of non-GAAP financial measures, non-GAAP ratios, and other financial measures. Cineplex reports on certain non-GAAP measures, non-GAAP ratios, supplementary financial measures and total segment measures that are used by management to evaluate Cineplex's performance. The following measures included in this MD&A do not have a standardized meaning under GAAP and may not be comparable to similar measures provided by other issuers. Cineplex includes these measures because management believes that they assist investors in assessing financial performance. These non-GAAP and other financial measures are used throughout this report and are defined below.

NON-GAAP FINANCIAL MEASURES

A non-GAAP financial measure is defined in NI 52-112 as a financial measure disclosed that (a) depicts the historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) is not disclosed in the financial statements of the entity, and (d) is not a ratio, fraction, percentage or similar representation.

NON-GAAP RATIOS

A non-GAAP ratio is defined in NI 52-112 as a financial measure disclosed that (a) is in the form of a ratio, fraction, percentage or similar representation, (b) has a non-GAAP financial measure as one or more of its components, and (c) is not disclosed in the financial statements.

Below are non-GAAP financial measures or non-GAAP ratios for continuing operations that are reported by Cineplex.

16.1. EBITDA, ADJUSTED EBITDA AND ADJUSTED EBITDAaL

Management defines EBITDA as earnings before interest income and expense, income taxes and depreciation and amortization expense. Adjusted EBITDA excludes the change in fair value of financial instrument, loss (gain) on disposal of assets, foreign exchange, and impairment, depreciation, amortization, interest and taxes of Cineplex's other joint ventures and associates, and other items that do not in management's view represent a factor relevant to the ongoing performance of the business such as the Competition Tribunal's administrative monetary penalty. Adjusted EBITDAaL modifies adjusted EBITDA to deduct current period cash rent paid or payable related to lease obligations.

Subsequent to the adoption of IFRS 16, *Leases*, by Cineplex effective January 1, 2019, the calculation of EBITDA no longer includes a charge for amounts paid or payable with respect to leased property and equipment. Given the majority of Cineplex's businesses are carried on in leased premises, Cineplex introduced the measure of adjusted EBITDAaL which includes a deduction for cash rent paid/payable related to lease obligations. Cineplex's management believes that adjusted EBITDAaL is an important supplemental measure of Cineplex's profitability at an operational level and provides analysts and investors with comparability in evaluating and valuing Cineplex's performance period over period. EBITDA, adjusted for various unusual items, is also used to define certain financial covenants in Cineplex's 2024 Credit Facility. Management calculates adjusted EBITDAaL margin by dividing adjusted EBITDAaL by total revenues.

EBITDA, adjusted EBITDA and adjusted EBITDAaL are non-GAAP measures generally used as an indicator of financial performance and they should not be seen as a measure of liquidity or a substitute for comparable metrics prepared in accordance with GAAP. Cineplex's EBITDA, adjusted EBITDA and adjusted EBITDAaL may differ from similar calculations as reported by other entities and accordingly may not be comparable to EBITDA, adjusted EBITDA or adjusted EBITDAaL reported by other entities.

Adjusted Store Level EBITDAaL Metrics

Cineplex reviews and reports adjusted EBITDAaL at the location level for LBE which is calculated as total LBE revenues from all locations less total LBE operating expenses, which excludes pre-opening costs and overhead relating to the management of LBE.

Adjusted Store Level EBITDAaL Margin

Calculated as adjusted store level EBITDAaL divided by total revenues for LBE for the period.

The following represents management's calculation of EBITDA, adjusted EBITDA, and adjusted EBITDAaL (expressed in thousands of dollars):

Reconciliation of reported net income (loss) to adjusted EBITDAaL	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net (loss) income	**$ 23,829**	**$ 1,365**	**$ 9,242**	**$ (33,622)**
Depreciation and amortization - other	17,799	19,248	54,521	59,194
Depreciation - right-of-use assets	19,814	20,132	59,849	61,215
Interest expense - lease obligations	17,511	18,440	52,697	53,795
Interest expense - other	17,963	17,621	52,718	52,033
Interest income	(820)	(243)	(2,601)	(690)
Current income tax (recovery) expense	—	—	—	—
Deferred income tax expense (recovery)	11,234	45	7,915	(11,778)
EBITDA	**$ 107,330**	**$ 76,608**	**$ 234,341**	**$ 180,147**
(Gain) loss on disposal of assets, including businesses	954	3	420	(187)
Loss (income) on financial instruments recorded at fair value	2,510	(4,240)	1,470	(2,870)
Provision for Competition Tribunal administrative monetary penalty	—	—	—	—
Foreign exchange (gain) loss	72	271	24	(367)
Depreciation and amortization - joint ventures and associates	639	401	1,768	840
Taxes and interest of joint ventures and associates	23	5	31	15
Adjusted EBITDA	**$ 111,528**	**$ 73,048**	**$ 238,054**	**$ 177,578**
Cash rent paid/payable related to lease obligations	(40,362)	(39,294)	(122,843)	(121,500)
Cash rent paid not pertaining to current period	(435)	(422)	443	430
Adjusted EBITDAaL (i)	**$ 70,731**	**$ 33,332**	**$ 115,654**	**56,508**
Adjusted EBITDAaL from discontinued operations (i)(ii)	**$ —**	**$ 471**	**$ —**	**$ (87)**
Adjusted EBITDAaL including discontinued operations (i)	**$ 70,731**	**$ 33,803**	**$ 115,654**	**$ 56,421**

(i) See Section 16 Non-GAAP and other financial measures.

16.2. ADJUSTED FREE CASH FLOW

Free cash flow is a non-GAAP measure generally used by Canadian corporations as an indicator of financial performance and it should not be viewed as a measure of liquidity or a substitute for comparable metrics prepared in accordance with GAAP. Standardized free cash flow adjusts the amount of cash from operating activities to deduct capital expenditures net of proceeds on sale of assets in ordinary business operations. Standardized free cash flow is a non-GAAP measure recommended by the CICA in its 2008 interpretive release, *Improved Communication with Non-GAAP Financial Measures: General Principles and Guidance for Reporting EBITDA and Free Cash Flow*, and is designed to enhance comparability. Adjusted free cash flow is also a non-GAAP measure used by Cineplex to modify standardized free cash flow to exclude certain cash flow activities and to measure the amount available for activities such as repayment of debt, dividends to owners and investments in future growth through acquisitions. Adjusted free cash flow includes repayments of lease obligations that represented the principal portion of rent expenses that were included in net income calculation prior to the adoption of accounting standard IFRS 16, *Leases,* by Cineplex. Given that the materiality of the principal portion of the rent expenses and comparability of adjusted free cash flow disclosure for comparative periods, adjusted free cash flow also adjusts standardized free cash flow to deduct principal amount of repayment of lease obligation.

Cineplex presents standardized free cash flow and adjusted free cash flow per share because they are key measures used by investors to value and assess Cineplex. Cineplex's management defines adjusted free cash flow as standardized free cash flow adjusted for certain items, and considers adjusted free cash flow the amount available for distribution to shareholders. Standardized free cash flow is defined by the CICA as cash from operating activities as reported in the GAAP financial statements, less total capital expenditures minus proceeds from the disposition of capital assets other than those of discontinued operations, as reported in the GAAP financial statements; and dividends, when stipulated, unless deducted in arriving at cash flows from operating activities. The standardized free cash flow calculation excludes common dividends and other distributions that are declared at the Board's discretion.

Management calculates adjusted free cash flow per share as follows (expressed in thousands of dollars except shares outstanding and per share data):

Reconciliation of reported cash provided by (used in) operating activities to adjusted free cash flow per share	**Three months ended September 30,**		**Nine months ended September 30,**	
	2026	**2025**	**2026**	**2025**
Cash provided by operating activities	$ 57,125	$ 26,760	$ 116,793	$ 45,471
Less: Total capital expenditures net of proceeds on sale of assets and insurance recoveries	(12,209)	(4,553)	(30,124)	(27,125)
Standardized free cash flow	**44,916**	**22,207**	**86,669**	**18,346**
Add/(Less):				
Changes in operating assets and liabilities (i)	23,345	13,290	34,802	36,742
Changes in operating assets and liabilities of joint ventures and associates (i)	—	(184)	—	(225)
Repayments of lease obligations - principal	(22,920)	(21,329)	(70,304)	(68,025)
Principal portion of cash rent paid not pertaining to current period	(435)	(422)	443	430
Growth capital expenditures and other (ii)	7,479	1,478	19,159	18,650
Share of income of joint ventures and associates, net of non-cash depreciation	529	543	(2,867)	824
Financing fees	—	(79)	—	38
Adjusted free cash flow	**$ 52,914**	**$ 15,504**	**$ 67,902**	**$ 6,780**
Average number of Common Shares outstanding	63,005,557	63,440,104	63,016,953	63,431,621
Adjusted free cash flow per share	**$ 0.840**	**$ 0.244**	**$ 1.078**	**$ 0.107**

(i) Changes in operating assets and liabilities are not considered a source or use of adjusted free cash flow. Refer to note 24, Changes in operating assets and liabilities of Cineplex's 2025 Annual Consolidated Financial Statements for further details.

(ii) Growth capital expenditures and other represent expenditures on Board approved projects, exclude maintenance capital expenditures and are net of proceeds on asset sales and insurance recoveries. The 2024 Credit Facility (discussed above in Section 6.4 Long-term debt) is available to Cineplex to fund Board approved projects.

Alternatively, the calculation of adjusted free cash flow using adjusted EBITDAaL as a reference point would be as follows (expressed in thousands of dollars):

Reconciliation of adjusted EBITDAaL to adjusted free cash flow	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Adjusted EBITDAaL	$ 70,731	$ 33,332	$ 115,654	$ 56,508
Adjust for:				
Interest expense - other	(17,963)	(17,621)	(52,718)	(52,033)
Accretion of convertible debentures and notes payable	2,267	1,957	6,489	5,602
Non-cash share-based compensation	1,815	1,434	6,720	4,542
Foreign exchange	(72)	(271)	(24)	367
Interest income	820	243	2,601	690
Maintenance capital expenditures	(4,730)	(3,060)	(10,965)	(8,460)
Cash foreign exchange	46	(510)	145	(436)
Adjusted free cash flow	**$ 52,914**	**$ 15,504**	**$ 67,902**	**$ 6,780**

SUPPLEMENTARY FINANCIAL MEASURES

Supplementary financial measures are financial measures that are not (a) presented in the financial statements and (b) are, or are intended to be, disclosed periodically to depict the historical or expected future financial performance, financial position or cash flow, that is not a non-GAAP financial measure or a non-GAAP ratio as defined in the instrument. Below are supplementary financial measures that Cineplex uses to depict its financial performance, financial position or cash flows.

Earnings (loss) per Share Metrics

Cineplex has presented basic and diluted earnings (loss) per share net of this item to provide a more comparable loss per share metric between the current periods and prior year periods. In the non-GAAP and other financial measures, earnings is defined as net income or net loss attributable to Cineplex excluding the change in fair value of financial instruments.

Per Patron Revenue Metrics

Cineplex reviews per patron metrics as they relate to box office revenue, theatre food service revenue and cinema media revenue such as BPP, CPP, BPP excluding premium priced product, concession margin per patron, and CMPP, as these are key measures used by investors to value and assess Cineplex's performance, and are widely used in the theatre exhibition industry. Cineplex's management defines these metrics as follows:

Theatre attendance: Theatre attendance is calculated as the total number of paying patrons that frequent Cineplex's theatres during the period.

BPP: Calculated as total box office revenues divided by total paid theatre attendance for the period.

BPP excluding premium priced product: Calculated as total box office revenues for the period, less box office revenues from 3D, 4DX, UltraAVX, VIP, ScreenX, DBOX, and IMAX product; divided by total paid theatre attendance for the period, less paid theatre attendance for 3D, 4DX, UltraAVX, VIP, ScreenX, DBOX, and IMAX product.

CPP: Calculated as total theatre food service revenues divided by total paid theatre attendance for the period.

CMPP: Calculated as total cinema media revenues divided by total paid theatre attendance for the period.

Premium priced product: Defined as 3D, 4DX, UltraAVX, IMAX, ScreenX, DBOX, and VIP film product.

Theatre concession margin per patron: Calculated as total theatre food service revenues less total theatre food service cost, divided by theatre attendance for the period.

Same Theatre Analysis

Cineplex reviews and reports same theatre metrics relating to box office revenues, theatre food service revenues, theatre rent expense and theatre payroll expense, as these measures are widely used in the theatre exhibition industry as well as other retail industries.

Same theatre metrics are calculated by removing the results for all theatres that have been opened, acquired, closed or otherwise disposed of subsequent to the start of the prior year comparative period. For the three months ended September 30, 2026 and 2025, the impact of one location that was closed or otherwise disposed of in 2025, and two locations that were closed or otherwise disposed of in 2026 have been excluded, resulting in 152 theatres being included in the same theatre metrics. For the nine months ended September 30, 2026 and 2025, the impact of two locations that were closed or otherwise disposed of in 2025, and two locations that were closed or otherwise disposed of in 2026 have been excluded, resulting in 152 theatres being included in the same theatre metrics.

Cost of sales percentages

Cineplex reviews and reports cost of sales percentages for its two largest revenue sources; box office revenues and food service revenues, as these measures are widely used in the theatre exhibition industry. These measures are reported as film cost percentage and concession cost percentage, respectively, and are calculated as follows:

Film cost percentage: Calculated as total film cost expense divided by total box office revenues for the period.

Theatre concession cost percentage: Calculated as total theatre food service costs divided by total theatre food service revenues for the period.

LBE food cost percentage: Calculated as total LBE food costs divided by total LBE food service revenues for the period.