Fiscal Year 2024

Alimentation Couche-Tard Inc.
Consolidated Financial Statements
April 28, 2024

Management's Report

The consolidated financial statements of Alimentation Couche-Tard Inc. and the financial information contained in this Annual Report are the responsibility of management. This responsibility is applied through a judicious choice of accounting procedures and principles, the application of which requires the informed judgment of management. The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), and were approved by the Board of Directors. In addition, the financial information included in the Annual Report is consistent with the consolidated financial statements.

Alimentation Couche-Tard Inc. maintains accounting and administrative control systems which, in the opinion of management, ensure the reasonable accuracy, relevance and reliability of financial information and the well-ordered, efficient management of the Corporation's affairs.

The Board of Directors is responsible for approving the consolidated financial statements included in this Annual Report, primarily through its Audit Committee. This committee, which holds periodic meetings with members of management as well as with the independent auditors, reviewed the consolidated financial statements of Alimentation Couche-Tard Inc. and recommended their approval to the Board of Directors.

The consolidated financial statements for the fiscal years ended April 28, 2024, and April 30, 2023, were audited by PricewaterhouseCoopers LLP, a partnership of Chartered Professional Accountants, and their report indicates the extent of their audit and their opinion on the consolidated financial statements.

June 25, 2024

/s/ Brian Hannasch

Brian Hannasch
President and
Chief Executive Officer

/s/ Filipe Da Silva

Filipe Da Silva
Chief Financial Officer

Management’s Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for Alimentation Couche-Tard Inc., as such term is defined in Canadian securities regulations. With our participation, management carried out an evaluation of the effectiveness of our internal control over financial reporting for the fiscal year ended April 28, 2024. The framework on which such evaluation was based is contained in the report entitled *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). This evaluation includes the review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, and that the degree of compliance with the policies or procedures may deteriorate. On December 28, 2023 and January 3, 2024, the Corporation acquired certain European retail assets from TotalEnergies SE for which the internal control over financial reporting has been excluded from Management's evaluation of the effectiveness of internal control over financial reporting. The results of these European retail assets since the acquisition date are included in the Corporation's consolidated financial statements and constituted approximately 16.3% of total consolidated assets and 12.7% of total consolidated liabilities as at April 28, 2024, and approximately 5.2% of consolidated revenues and 0.6% of consolidated net earnings for the fiscal year then ended. See Note 4 of the consolidated financial statements for a discussion about this acquisition. Based on this evaluation, management concluded that Alimentation Couche-Tard Inc.’s internal control over financial reporting was effective as at April 28, 2024.

PricewaterhouseCoopers LLP, a partnership of Chartered Professional Accountants, audited the effectiveness of Alimentation Couche-Tard Inc.’s internal control over financial reporting as at April 28, 2024 and expressed an unqualified opinion thereon, which is included herein.

June 25, 2024

<u></u>/s/ Brian Hannasch	*<u></u>/s/ Filipe Da Silva*
Brian Hannasch President and Chief Executive Officer	Filipe Da Silva Chief Financial Officer

Independent auditor's report

To the Shareholders of
Alimentation Couche-Tard Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Alimentation Couche-Tard Inc. and its subsidiaries (together, the Corporation) as at April 28, 2024 and April 30, 2023, and its financial performance and its cash flows for the fiscal years then ended in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Corporation's consolidated financial statements comprise:

- the consolidated statements of earnings for the fiscal years ended April 28, 2024 and April 30, 2023;
- the consolidated statements of comprehensive income for the fiscal years ended April 28, 2024 and April 30, 2023;
- the consolidated statements of changes in equity for the fiscal years ended April 28, 2024 and April 30, 2023;
- the consolidated statements of cash flows for the fiscal years ended April 28, 2024 and April 30, 2023;
- the consolidated balance sheets as at April 28, 2024 and April 30, 2023; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended April 28, 2024. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Preliminary valuation of intangible assets and property and equipment acquired in the acquisition of certain European retail assets from TotalEnergies SE *Refer to note 3 – Accounting policies and note 4 – Business acquisitions to the consolidated financial statements.* On December 28, 2023, and January 3, 2024, the Corporation closed the acquisition of 2,175 sites from TotalEnergies SE for a total consideration of $3,783.8 million. The provisional amounts of the fair values of the identifiable assets acquired included $479.4 million in intangible assets, of which a significant portion relates to right to use trademarks, and $1,216.1 million in property and equipment. The allocation of the purchase price to the different assets acquired is based on the fair value of those assets which are determined using preliminary information and therefore, during the measurement period, the fair values are subject to change. Management applied significant judgment in estimating the provisional amounts of the fair values of the right to use trademarks and property and equipment acquired. To estimate the provisional amounts of the fair values of such assets, management used the relief from royalty method using discounted cash flow models to value the right to use trademarks and the indirect method of the cost approach to value property and equipment. Management developed key assumptions which include, projected growth rates for revenues and volumes of road transportation fuel sold, projected royalty rates, useful lives, depreciation methods, inflation indices and discount rates. We considered this a key audit matter due to the significant judgment applied by management in estimating the provisional amounts of the fair values of the right to use trademarks and property and equipment, including the development of key assumptions. This, in turn, led to a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence relating to the key assumptions used by management. The audit effort involved the use of professionals with specialized skills and knowledge in the field of valuation.	Our approach to addressing the matter included the following procedures, among others: • Tested the operating effectiveness of internal controls related to the provisional amounts of the fair values of the intangible assets and property and equipment acquired, including management's review of the key assumptions used. • Tested how management estimated the provisional amounts of the fair values of the right to use trademarks and property and equipment acquired, which included the following: ◦ Read the relevant contracts and purchase agreements. ◦ Tested the underlying data used by management in the discounted cash flow models and the indirect method of the cost approach calculations. ◦ Evaluated the reasonableness of key assumptions used by management, such as projected growth rates for revenues and volumes of road transportation fuel sold, projected royalty rates, useful lives, depreciation methods and inflation indices by considering budgets approved by the board of directors, similar prior acquisitions made by the Corporation, as well as economic and industry data, as applicable. ◦ Professionals with specialized skills and knowledge in the field of valuation assisted in evaluating the appropriateness of the valuation methods and the models used, as well as the reasonableness of certain key assumptions such as the discount rates.

Other matter – audit opinion of internal control over financial reporting

We also have audited, in accordance with the standard of audits of internal control over financial reporting set out in the *CPA Canada Handbook – Assurance*, the effectiveness of the Corporation's internal control over financial reporting as at April 28, 2024, in accordance with criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and issued our report dated June 25, 2024.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Frédéric Lepage.

PricewaterhouseCoopers LLP[1]

Montréal, Quebec

June 25, 2024

[1] CPA auditor, public accountancy permit No. A123475

Independent auditor's report

To the Shareholders of
Alimentation Couche-Tard Inc.

We have audited the effectiveness of Alimentation Couche-Tard Inc. and its subsidiaries' (the Corporation) internal control over financial reporting as at April 28, 2024.

Management's responsibility

Management is responsible for maintaining effective internal control over financial reporting and for its evaluation of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting.

Auditor's responsibility

Our responsibility is to express an opinion based on our audit, on whether the Corporation's internal control over financial reporting was effectively maintained in accordance with criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the *CPA Canada Handbook – Assurance*. This standard requires that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances.

As indicated in the Management's Report on Internal Control over Financial Reporting, on December 28, 2023 and January 3, 2024, the Corporation acquired certain European retail assets from TotalEnergies SE for which the internal control over financial reporting has been excluded from Management's evaluation of the effectiveness of internal control over financial reporting. The results of these European retail assets since the acquisition date are included in the Corporation's consolidated financial statements and constituted approximately 16.3% of total consolidated assets and 12.7% of total consolidated liabilities as at April 28, 2024, and approximately 5.2% of consolidated revenues and 0.6% of consolidated net earnings for the fiscal year then ended. We have also excluded the acquired European retail assets of TotalEnergies SE from our audit of internal control over financial reporting.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Canadian generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

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

Opinion

In our opinion, the Corporation maintained, in all material respects, effective internal control over financial reporting as at April 28, 2024, in accordance with the criteria established in *Internal Control – Integrated Framework (2013)* issued by the COSO.

We also have audited, in accordance with Canadian generally accepted auditing standards, the consolidated financial statements of the Corporation as at April 28, 2024 and April 30, 2023 and for the fiscal years then ended and issued our report dated June 25, 2024.

PricewaterhouseCoopers LLP[1]

Montréal, Quebec

June 25, 2024

[1] CPA auditor, public accountancy permit No. A123475

Consolidated Statements of Earnings

For the fiscal years ended April 28, 2024 and April 30, 2023
(in millions of US dollars (Note 2), except per share amounts)

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Revenues	**69,263.5**	71,856.7
Cost of sales, excluding depreciation, amortization and impairment (Note 8)	**57,165.6**	59,804.6
Operating, selling, general and administrative expenses (Note 8)	**6,525.2**	6,361.8
Loss (gain) on disposal of property and equipment and other assets (Notes 8 and 17)	**2.4**	(67.6)
Depreciation, amortization and impairment (Notes 8, 16, 17 and 18)	**1,760.1**	1,525.9
Operating income	**3,810.2**	4,232.0
Share of earnings of joint ventures and associated companies (Note 7)	**25.8**	3.8
Financial expenses (Note 10)	**574.7**	384.2
Other financial items (Note 10)	**(180.6)**	(78.2)
Foreign exchange (gain) loss	**(6.2)**	0.7
Net financial expenses	**387.9**	306.7
Earnings before income taxes	**3,448.1**	3,929.1
Income taxes (Note 11)	**715.9**	838.2
Net earnings	**2,732.2**	3,090.9
Net earnings attributable to non-controlling interests (Note 5)	**(2.5)**	—
Net earnings attributable to shareholders of the Corporation	**2,729.7**	3,090.9
Net earnings per share (Note 12)		
Basic	**2.82**	3.07
Diluted	**2.82**	3.06

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Comprehensive Income

For the fiscal years ended April 28, 2024 and April 30, 2023
(in millions of US dollars (Note 2))

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Net earnings	**2,732.2**	3,090.9
Other comprehensive loss		
Items that may be reclassified subsequently to earnings		
Translation adjustments		
Change in cumulative translation adjustments(1)	**(115.5)**	(241.9)
Net changes in fair value and net interest on cross-currency interest rate swaps and currency forwards designated as a hedge of the Corporation's net investment in some of its foreign operations(2) (Notes 20 and 24)	**0.8**	(49.2)
Cash flow hedges		
Change in fair value of financial instruments(2)	**24.5**	36.7
Gain realized on financial instruments transferred to earnings(2)	**(6.5)**	(3.8)
Reclassification adjustment(3) (Note 23)	**(28.5)**	—
Items that will never be reclassified to earnings		
Net actuarial gain(4) (Note 30)	**18.9**	3.6
Gain (loss) on investments in equity instruments measured at fair value through Other comprehensive loss(5)	**8.2**	(6.1)
Other comprehensive loss	**(98.1)**	(260.7)
Comprehensive income	**2,634.1**	2,830.2
Comprehensive income attributable to non-controlling interests	**(0.2)**	—
Comprehensive income attributable to shareholders of the Corporation	**2,633.9**	2,830.2

(1) For the fiscal years ended April 28, 2024 and April 30, 2023, these amounts include a loss of $51.6 (net of income taxes recoveries of $3.9) and a loss of $256.2 (net of income taxes recoveries of $36.2), respectively. These losses arise from the translation of debt denominated in foreign currencies and designated as net investment hedges in some of the Corporation's foreign operations.
(2) For the fiscal years ended April 28, 2024 and April 30, 2023, these amounts are net of income tax expenses of $1.8 and $7.9, respectively.
(3) For the fiscal year ended April 28, 2024, this amount is net of income taxes of $4.4.
(4) For the fiscal years ended April 28, 2024 and April 30, 2023, these amounts are net of income tax expenses of $5.7 and $0.9, respectively.
(5) For the fiscal years ended April 28, 2024 and April 30, 2023, these amounts are net of income tax expenses (recoveries) of $1.6 and $(1.0), respectively.

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Changes in Equity

For the fiscal years ended April 28, 2024 and April 30, 2023
(in millions of US dollars (Note 2))

2024 (52 weeks)

	Attributable to shareholders of the Corporation						
	Capital stock	**Contributed surplus**	**Retained earnings**	**Accumulated other comprehensive loss (Note 29)**	**Total**	**Non-controlling interests**	**Equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance, beginning of year	**614.7**	**28.8**	**12,934.6**	**(1,013.6)**	**12,564.5**	**—**	**12,564.5**
Addition to non-controlling interests (Note 4)					**—**	**112.0**	**112.0**
Comprehensive income:							
Net earnings			**2,729.7**		**2,729.7**	**2.5**	**2,732.2**
Other comprehensive loss				**(95.8)**	**(95.8)**	**(2.3)**	**(98.1)**
					2,633.9	**0.2**	**2,634.1**
Share repurchases (Note 27)	**(17.0)**		**(1,357.0)**		**(1,374.0)**		**(1,374.0)**
Dividends declared			**(453.0)**		**(453.0)**		**(453.0)**
Transfer of realized net gains on investments in equity instruments measured at fair value through Other comprehensive income (loss)			**9.8**	**(9.8)**	**—**		**—**
Removal of accumulated losses on notional currency forwards (Note 4)				**23.6**	**23.6**		**23.6**
Redemption liability incurred (Note 5)			**(251.0)**		**(251.0)**		**(251.0)**
Changes in redemption liability (Note 5)			**3.8**		**3.8**		**3.8**
Stock option-based compensation expense (Note 28)		**5.6**			**5.6**		**5.6**
Exercise of stock options	**47.0**	**(11.2)**			**35.8**		**35.8**
Balance, end of year	**644.7**	**23.2**	**13,616.9**	**(1,095.6)**	**13,189.2**	**112.2**	**13,301.4**

2023 (53 weeks)

	Attributable to shareholders of the Corporation						
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive loss (Note 29)	Total	Non-controlling interests	Equity
	$	$	$	$	$	$	$
Balance, beginning of year	639.9	25.8	12,521.0	(749.1)	12,437.6	—	12,437.6
Comprehensive income:							
Net earnings			3,090.9		3,090.9	—	3,090.9
Other comprehensive loss				(260.7)	(260.7)	—	(260.7)
					2,830.2	—	2,830.2
Share repurchases (Note 27)	(32.4)		(2,303.4)		(2,335.8)		(2,335.8)
Dividends declared			(377.7)		(377.7)		(377.7)
Transfer of realized gains on investments in equity instruments measured at fair value through Other comprehensive income (loss)			3.8	(3.8)	—		—
Stock option-based compensation expense (Note 28)		4.9			4.9		4.9
Exercise of stock options	7.2	(1.9)			5.3		5.3
Balance, end of year	614.7	28.8	12,934.6	(1,013.6)	12,564.5	—	12,564.5

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

For the fiscal years ended April 28, 2024 and April 30, 2023
(in millions of US dollars (Note 2))

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Operating activities		
Net earnings	**2,732.2**	3,090.9
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation, amortization, impairment and amortization of financing costs	**1,765.3**	1,533.5
Changes in non-cash working capital (Note 13)	**163.1**	(315.4)
Deferred income taxes (Note 11)	**60.5**	80.9
Settlement of forward starting interest rate swaps (Note 23)	**50.7**	—
Reclassification adjustment (Note 23)	**(32.9)**	—
Net changes in commodity indexed deposits and fuel swaps (Note 31)	**25.0**	(99.2)
Non-operating foreign exchange (gain) loss	**(16.3)**	21.0
Net change in fair value of investments in equity instruments and other financial assets (Note 31)	**8.7**	30.0
Share of earnings of joint ventures and associated companies, net of dividends received	**(2.4)**	20.8
Loss (gain) on disposal of property and equipment and other assets	**2.4**	(67.6)
Other	**60.9**	49.7
Net cash provided by operating activities	**4,817.2**	4,344.6
Investing activities		
Business acquisitions (Note 4)	**(4,297.2)**	(847.9)
Purchase of property and equipment, intangible assets and other assets	**(1,943.1)**	(1,803.8)
Investment in term deposits (Note 22)	**(520.9)**	—
Proceeds from disposal of investments in equity instruments, share units indexed deposits and from repayments of loans granted to Fire & Flower (Notes 6 and 31)	**167.6**	194.2
Purchase of equity instruments, other financial assets and investments and loans related to Fire & Flower (Notes 6 and 31)	**(118.2)**	(55.6)
Proceeds from disposal of property and equipment and other assets	**87.1**	262.1
Settlement of currency forward contracts (Notes 4 and 20)	**16.6**	—
Change in restricted cash	**4.2**	5.5
Investment in a joint venture	**—**	(30.1)
Net cash used in investing activities	**(6,603.9)**	(2,275.6)
Financing activities		
Issuance of senior unsecured notes, net of financing costs (Notes 13 and 22)	**3,894.5**	—
Increase in acquisition facility (Notes 13 and 22)	**3,391.9**	—
Repayment of acquisition facility (Notes 13 and 22)	**(3,385.3)**	—
Share repurchases (Note 27)	**(1,349.4)**	(2,392.5)
Net issuance of unsecured commercial paper notes (Notes 13 and 22)	**549.6**	—
Principal elements of lease payments (Note 13)	**(478.9)**	(438.9)
Cash dividends paid	**(453.0)**	(377.7)
Exercise of stock options	**35.8**	5.3
Net proceeds (payments) on other debts (Note 13)	**0.2**	(1.4)
Repayment of debts on business acquisitions (Notes 4 and 13)	**—**	(144.5)
Net cash provided by (used in) financing activities	**2,205.4**	(3,349.7)
Effect of exchange rate fluctuations on cash and cash equivalents	**56.1**	(29.0)
Net increase (decrease) in cash and cash equivalents	**474.8**	(1,309.7)
Cash and cash equivalents, beginning of year	**834.2**	2,143.9
Cash and cash equivalents, end of year	**1,309.0**	834.2
Supplemental information:		
Interest paid	**491.3**	353.6
Interest and dividends received	**161.4**	122.5
Income taxes paid, net	**770.7**	794.5

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Balance Sheets

As at April 28, 2024 and April 30, 2023
(in millions of US dollars (Note 2))

	2024	2023 (adjusted, Note 2)
	$	$
Assets		
Current assets		
Cash and cash equivalents	**1,309.0**	834.2
Restricted cash	**9.6**	13.8
Accounts receivable (Note 14)	**2,929.4**	2,298.5
Inventories (Note 15)	**2,333.1**	2,176.0
Prepaid expenses	**144.1**	151.6
Other short-term financial assets (Notes 20, 22, 23 and 31)	**559.2**	95.0
Income taxes receivable	**192.8**	100.5
	7,477.2	5,669.6
Property and equipment (Note 16)	**13,923.8**	11,844.3
Right-of-use assets (Note 17)	**3,963.1**	3,392.8
Intangible assets (Note 18)	**1,185.8**	772.5
Goodwill (Note 18)	**9,568.2**	6,641.4
Other assets (Note 19)	**393.7**	330.5
Other long-term financial assets (Notes 23 and 31)	**146.6**	172.9
Investments in joint ventures and associated companies (Note 7)	**185.7**	183.4
Deferred income taxes (Note 11)	**98.0**	51.0
	36,942.1	29,058.4
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 21)	**5,987.9**	4,499.4
Short-term provisions (Note 25)	**143.6**	147.9
Other short-term financial liabilities (Notes 5, 13, 23, 24 and 31)	**54.2**	0.8
Income taxes payable	**72.1**	79.6
Short-term debt and current portion of long-term debt (Notes 13 and 22)	**1,066.8**	0.7
Current portion of lease liabilities (Note 13)	**503.6**	438.1
	7,828.2	5,166.5
Long-term debt (Notes 13 and 22)	**9,226.5**	5,888.3
Lease liabilities (Note 13)	**3,674.8**	3,146.5
Long-term provisions (Note 25)	**819.9**	647.7
Pension benefit liability (Note 30)	**85.8**	85.1
Other long-term financial liabilities (Notes 5, 13, 23, 24 and 31)	**303.3**	93.8
Deferred credits and other liabilities (Note 26)	**220.1**	182.1
Deferred income taxes (Note 11)	**1,482.1**	1,283.9
	23,640.7	16,493.9
Equity		
Capital stock (Note 27)	**644.7**	614.7
Contributed surplus	**23.2**	28.8
Retained earnings	**13,616.9**	12,934.6
Accumulated other comprehensive loss (Note 29)	**(1,095.6)**	(1,013.6)
Equity attributable to shareholders of the Corporation	**13,189.2**	12,564.5
Non-controlling interests (Note 5)	**112.2**	—
	13,301.4	12,564.5
	36,942.1	29,058.4

The accompanying notes are an integral part of the consolidated financial statements.

On behalf of the Board of Directors,

/s/ Brian Hannasch | */s/ Alain Bouchard*

Brian Hannasch
Director

Alain Bouchard
Director

1. GOVERNING STATUTES AND NATURE OF OPERATIONS

Alimentation Couche-Tard Inc. (the "Corporation") is governed by the *Business Corporations Act* (Quebec). The Corporation's head office is located at 4204 Boulevard Industriel in Laval, Quebec, Canada.

As at April 28, 2024, the Corporation operates a network of 14,545 convenience stores across North America, Europe and Asia, of which 10,445 are company-operated, and generates income primarily from the sale of cigarette products and other nicotine products, beverages, beer, wine, fresh food offerings including quick service restaurants, candy and snacks, grocery items, car wash and other services in addition to road transportation fuel.

Furthermore, under licensing agreements, close to 2,200 stores are operated under the Circle K banner in 16 other countries and territories (Cambodia, Egypt, Guam, Guatemala, Honduras, Indonesia, Jamaica, Macau, Mexico, Morocco, New Zealand, Saudi Arabia, South Africa, Tanzania, the United Arab Emirates and Vietnam), which brings the worldwide total network to more than 16,700 stores.

2. BASIS OF PREPARATION

Year-end date

The Corporation's year-end is the last Sunday of April of each year. The fiscal years ended April 28, 2024 and April 30, 2023, are referred to as "2024" and "2023". Fiscal 2024 had 52 weeks (53 weeks in 2023).

Basis of presentation

The Corporation prepares its consolidated financial statements in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Reporting currency

The parent corporation's functional currency is the Canadian dollar. The Corporation uses the US dollar as its reporting currency to provide more relevant information considering its predominant operations are in the United States.

Approval of the financial statements

On June 25, 2024, these consolidated financial statements were authorized for issue by the Board of Directors.

Comparative figures

During fiscal 2024, the Corporation finalized its estimates of the fair value of assets acquired and liabilities assumed for the acquisitions of True Blue Car Wash LLC ("True Blue") and Big Red Stores. As a result, changes were made to the following consolidated balance sheet accounts as at April 30, 2023: Property and equipment decreased by $28.7, Right-of-use assets increased by $7.7, Intangible assets increased by $10.3, Accounts payable and accrued liabilities increased by $1.5, including an increase of $1.3 in consideration payable, and Lease liabilities increased by $7.7. Consequently, Goodwill increased by $19.9. These changes did not result in any changes to the consolidated statement of earnings for the fiscal year ended April 30, 2023.

3. ACCOUNTING POLICIES

Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported. On an ongoing basis, management reviews its estimates which are based on its best knowledge of current events and actions that the Corporation may undertake in the future. Actual results could differ from those estimates. The most significant accounting judgments and estimates that the Corporation has made in the preparation of the consolidated financial statements are discussed along with the relevant accounting policies or with the related notes to the consolidated financial statements when applicable and relate primarily to the following topics: useful lives of tangible and intangible assets, income taxes, provisions, impairment of tangible, intangible and other assets, impairment of goodwill and business combinations.

Principles of consolidation

The consolidated financial statements include the accounts of the Corporation and its subsidiaries, over which the Corporation generally has a direct or indirect shareholding of 100% of the voting rights. Subsidiaries are fully consolidated from the date control is transferred to the Corporation and deconsolidated from the date control ceases. The consolidated financial statements also include the Corporation’s share of earnings of joint ventures and associated companies accounted for using the equity method, as well as its shares of assets, liabilities and earnings of joint operations. All intercompany balances and transactions have been eliminated on consolidation.

The Corporation holds contracts with franchisees and independent operators. When they manage their store and are responsible for merchandising and financing their inventory, their financial operations are not included in the Corporation’s consolidated financial statements.

Foreign currency translation

Functional currency

The functional currency is the currency of the primary economic environment in which an entity operates. The functional currency of the parent corporation and its Canadian operations is the Canadian dollar. The functional currency of foreign subsidiaries is generally their local currency, mainly the US dollar for operations in the United States and various other currencies for operations in Europe and Asia.

Consolidation and foreign operations

The consolidated financial statements are consolidated in Canadian dollars using the following procedure: assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the consolidated balance sheet date. Revenues and expenses are translated using the average exchange rate of the period. Individual transactions with a significant impact on the consolidated statements of earnings, comprehensive income or cash flows are translated using the transaction date exchange rate.

Gains and losses arising from such translation are included in Accumulated other comprehensive income (loss) in Equity.

Reporting currency

The Corporation has adopted the US dollar as its reporting currency. The Canadian-dollar consolidated financial statements are translated into the reporting currency using the procedure described above. Capital stock, Contributed surplus and Retained earnings are translated using historical rates. Gains and losses arising from such translations are included in Accumulated other comprehensive income (loss) in Equity.

Revenue recognition

For its three major product categories, merchandise and services, road transportation fuel and other, the Corporation recognizes revenue when control of goods or services is transferred to a customer.

For retail operations, merchandise sales primarily comprise the sale of cigarette products and other nicotine products, beverages, beer, wine, fresh food offerings including quick service restaurants, candy and snacks and grocery items. Service revenues primarily include car wash revenues, commissions on the sale of lottery tickets, fees from automatic teller machines, sales of calling cards, sales of gift cards and revenues from electric vehicles charging stations. Road transportation fuel sales comprise the sale of different types of road transportation fuel via fuel dispensers located at the Corporation’s convenience stores or automated stations. These revenues are recognized at the time of the transaction since control of goods and services is considered transferred when the customer makes payment and takes possession of the sold item.

Service revenues also include franchise and license fees, commissions from agents and royalties from franchisees and licensees which are recognized over the estimated term of the related agreement or periodically based on sales reported.

When the Corporation's loyalty programs provide its customers with an option to acquire additional goods for free or at a discount and that the option represents a material right through the customer's membership, the Corporation recognizes revenues related to this separate performance obligation when those future goods are transferred or when the option expires.

The stand-alone selling price of the customer's option is generally estimated based on historical data and is adjusted to consider the likelihood that the option will be exercised.

For its wholesale operations, the Corporation generally recognizes sales of road transportation fuel upon delivery to independent operators and other customers, as well as sales of merchandise and goods to certain independent operators and franchisees made from the Corporation's distribution centers and commissaries.

Other revenues include sales of energy for stationary engines and aviation fuel, which are generally recognized upon delivery to the customer. Other revenues also include rental income from operating leases, which is recognized on a straight-line basis over the term of the lease.

In markets where refined oil products are purchased excluding excise duties, revenues from sales to customers are reported net of excise duties. In markets where refined oil products are purchased including excise duties, revenues and costs of goods sold are reported including these duties.

One of the Corporation's wholly owned subsidiaries has been generating revenues from the direct sale of cannabis and cannabis-related products in certain company-operated licensed stores in Canada. Moreover, the Corporation indirectly participates in the sale of cannabis and cannabis-related products through various license agreements in Canada and in subleasing a portion or all of the premises of certain of its convenience stores and other sites.

Cost of sales, excluding depreciation, amortization and impairment and vendor rebates

Cost of sales, excluding depreciation, amortization and impairment mainly comprises the cost of finished goods and input materials, transportation costs incurred to bring products to the point of sale, as well as internal logistics costs.

The Corporation records vendor rebates as a reduction in the price of the vendors' products and reflects them as a reduction of related inventory and cost of sales, excluding depreciation, amortization and impairment in its consolidated balance sheets and consolidated statements of earnings when it is probable that they will be received. Amounts received but not yet earned are deferred and included in Accounts payable and accrued liabilities or Deferred credits and other liabilities.

Operating, selling, general and administrative expenses

The main items comprising Operating, selling, general and administrative expenses are labor, electronic payment modes fees, occupancy costs, repairs, maintenance, information technologies and overhead, excluding depreciation, amortization and impairment.

Inventories

Inventories are valued at the lesser of cost and net realizable value. The cost of merchandise is generally valued based on the retail price less a normal margin. The cost of road transportation fuel inventory is generally determined according to the average cost method.

Income taxes

The income tax expense recorded to earnings is the sum of the Deferred income taxes and Current income taxes that are not recognized in Other comprehensive income (loss) ("OCI") or directly in Equity.

The Corporation uses the balance sheet liability method to account for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between the carrying amount and the tax base of assets and liabilities, using enacted or substantively enacted tax rates and laws, as appropriate, at the date of the consolidated financial statements for the years in which the temporary differences are expected to reverse. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Corporation is subject to income taxes in numerous jurisdictions and there could be certain positions for which the ultimate tax determination is uncertain. The Corporation recognizes provisions for uncertain tax positions on the basis of amounts expected to be paid to the tax authorities with respect to uncertain tax positions where it is not considered probable that the taxation authority will accept the Corporation's position. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant judgment is required in determining the worldwide provision for income taxes and assessing whether it is probable that a taxation authority will accept uncertain tax positions. As at April 28, 2024, no provision for uncertain tax positions were significant to the Corporation.

Property and equipment, depreciation, amortization and impairment

Property and equipment are stated at cost less accumulated depreciation, amortization and impairment and are depreciated over their estimated useful lives using the straight-line method based on the following periods:

Buildings and building components	3 to 40 years
Equipment	3 to 40 years
Leasehold improvements	Lesser of the lease term and useful life

Building components include air conditioning, heating systems, plumbing and electrical fixtures. Equipment includes signage, fuel equipment, in-store equipment and equipment for electric vehicles charging stations.

The Corporation performs an annual evaluation of residual values, estimated useful lives and depreciation methods used for property and equipment and any change resulting from this evaluation is applied prospectively by the Corporation. Property and equipment are tested for impairment should events or circumstances indicate that their carrying amount may not be recoverable.

Intangible assets, depreciation, amortization and impairment

Intangible assets, which are initially recorded at cost, mainly comprise trademarks and rights to use trademarks, franchise agreements, motor fuel supply agreements, customer relationships, reacquired rights, software and licenses. Licenses and trademarks that have indefinite lives, since they are expected to provide economic benefits to the Corporation indefinitely, are not amortized and are tested for impairment annually during the first quarter or more frequently should events or changes in circumstances indicate that they might be impaired or if necessary due to the timing of acquisitions. Motor fuel supply agreements, franchise agreements, reacquired rights, licenses, trademarks and rights to use trademarks with finite lives are amortized using the straight-line method over the term of the agreements they relate to. Software, customer relationships and other intangible assets are amortized using the straight-line method over a period of 5 to 15 years. Amortization of intangible assets with finite lives is included in Depreciation, amortization and impairment in the consolidated statements of earnings.

Leases

<u>Lease arrangements in which the Corporation is a lessee</u>

For all leases (except those meeting limited exception criteria, see below), the Corporation recognizes right-of-use assets and lease liabilities in the consolidated balance sheet.

The lease liability is initially measured at the net present value of future lease payments, discounted using the Corporation's incremental borrowing rate or the implicit interest rate of the lease, if that rate can be readily determined. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made. The resulting interest expense is charged to Financial expenses on the consolidated statements of earnings over the lease period.

Right-of-use assets are subsequently measured at cost less accumulated depreciation, amortization and impairment and are depreciated over the shorter period of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment should events or circumstances indicate that their carrying amount may not be recoverable.

Variable lease payments that are not based on an index or a rate are not included in the measurement of both the lease liability and the right-of-use asset and are recognized as an expense in the period in which the conditions that trigger those payments occur and are recorded as Operating, selling, general and administrative expenses in the consolidated statements of earnings.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the Corporation recognizes a lease expense on a straight-line basis over the lease term. This expense is presented within Operating, selling, general and administrative expenses in the consolidated statements of earnings.

In determining the lease term, the Corporation considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods subject to termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the Corporation's control.

Lease arrangements in which the Corporation is a lessor

Leases for which their terms do not transfer substantially all the risks and rewards of the ownership of the underlying asset to the lessee are classified as operating leases. Payments received in relation with operating leases are recognized as Revenues on a straight-line basis over the term of the relevant lease in the consolidated statements of earnings.

When the Corporation is an intermediate lessor, it accounts for the head lease and the sublease as separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Leases for which their terms transfer substantially all the risks and rewards of the ownership of the underlying asset to the lessee are classified as finance leases. Whenever it is determined that a lease where the Corporation is the lessor or intermediate lessor is a finance lease, the present value of the future lease payments due from the lessee are recognized as the Corporation's net investment in the lease or sublease which is recorded under Other assets on the consolidated balance sheet.

The Corporation has assessed that some arrangements with franchisees contain lease components and accordingly accounts for a portion of those agreements as leases.

Provisions

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. The present value of provisions depends on a number of factors that are assessed on a regular basis using a number of assumptions, including the discount rate, the expected cash flows to settle the obligation and the number of years until the realization of the provision. Any changes in these assumptions or in governmental regulations will impact the carrying amount of provisions. Historically, the Corporation has not experienced significant differences in its estimates compared with actual results.

Asset retirement obligations

Asset retirement obligations primarily relate to estimated future costs to remove road transportation fuel storage tanks and are based on the Corporation's prior experience in removing these tanks, estimated tank useful life, remaining lease terms for those tanks installed on leased properties, external estimates and governmental regulatory requirements. A discounted liability is recorded for the present value of an asset retirement obligation, with a corresponding increase to the carrying value of the related long-lived asset at the time a storage tank is installed. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased to reflect the passage of time and then adjusted for variations in the current market-based discount rate or the scheduled underlying cash flows required to settle the liability.

Environmental costs

The Corporation provides for estimated future site remediation costs to meet government or contractual standards for known site contaminations, when such costs can be reasonably estimated. Estimates of the anticipated future costs for remediation activities at such sites are based on the Corporation's prior experience with remediation sites and consideration of other factors such as the condition of the site's contamination, location of sites and experience of the contractors performing the environmental assessments and remediation work.

Obligations related to general liability and workers' compensation

In the United States, Ireland and Canada, in particular, the Corporation is self-insured for certain losses related to general liability and workers' compensation. The expected ultimate cost for claims incurred as of the consolidated balance sheet date is discounted and is recognized as a liability. This cost is estimated based on an analysis of the Corporation's historical data and actuarial estimates.

Financial instruments recognition and measurement

The Corporation has made the following classifications for its financial assets and financial liabilities:

Financial assets and financial liabilities	Classification	Subsequent measurement(1)	Classification of gains and losses
Cash and cash equivalents	Amortized cost	Amortized cost	Net earnings
Restricted cash	Amortized cost	Amortized cost	Net earnings
Accounts receivable	Amortized cost	Amortized cost	Net earnings
Term deposits	Amortized cost	Amortized cost	Net earnings
Indexed deposits	Fair value through earnings or loss	Fair value	Net earnings
Investments	Fair value through earnings or loss (unless fair value through OCI is elected)(2)	Fair value	Net earnings (OCI not subject to reclassification to net earnings if election made)
Derivative financial instruments	Fair value through earnings or loss	Fair value	Net earnings
Derivative financial instruments designated as net investment hedges and cash flow hedges	Fair value through earnings or loss subject to hedge accounting requirements	Fair value	OCI subject to reclassification to net earnings
Bank indebtedness, short-term debt and long-term debt	Amortized cost	Amortized cost	Net earnings
Accounts payable and accrued liabilities	Amortized cost	Amortized cost	Net earnings

(1) Initial measurement of Accounts receivable is at transaction price while initial measurement of all other financial assets and financial liabilities is at fair value.

(2) The Corporation elected to classify certain investments in equity instruments as fair value through OCI.

Please refer to Note 5 for information on the recognition and measurement of the redemption liability related to the remaining 40% ownership interest in Circle K Belgium SA.

Hedging and derivative financial instruments

The Corporation applies general hedge accounting requirements of IAS 39 *Financial Instruments: Recognition and Measurement.*

Total return swaps

The Corporation uses total return swaps to manage current and forecasted risks related to changes in the fair value of the share units and deferred share units ("DSUs") granted by the Corporation ("share units total return swaps").

The Corporation has documented and designated the share units total return swaps as the hedging items in a cash flow hedge of the anticipated cash settlement transaction related to the granted share units and DSUs. The Corporation has determined that the share units total return swaps are an effective hedge at the time of the establishment of the hedge and for the duration of the share units total return swaps. The changes in the fair value are initially recorded in OCI and subsequently reclassified to consolidated net earnings in the same period that the change in the fair value of the share units and DSUs affects consolidated net earnings.

Until April 19, 2023, the Corporation used indexed deposits contracts to manage current and forecasted risks related to changes in the fair value of the share units and DSUs granted by the Corporation, with a similar designation as the total return swaps for hedge accounting purposes.

Commodity indexed deposits, fuel swaps and fuel futures contracts

To manage the price risk associated with the commodity prices of road transportation fuel and to add flexibility to its road transportation fuel supply chain, the Corporation uses fuel swaps, fuel futures contracts as well as deposit contracts indexed on road transportation fuel commodity prices ("commodity indexed deposits"). These financial instruments are classified as fair value through earnings or loss, whereas changes in fair value are recorded under Cost of sales, excluding depreciation, amortization and impairment.

Designated debts denominated in foreign currencies and cross-currency interest rate swaps

The Corporation designates a portion of its debt as a foreign exchange hedge of its net investment in some of its foreign operations. The Corporation also designates cross-currency interest rate swaps as a foreign exchange hedge of its net investment in some of its foreign operations. Accordingly, the gains and losses arising from the translation of the debts that are designated to be an effective hedge and the effective portion of the changes in fair value of the cross-currency interest rate swaps are recognized in OCI, counterbalancing gains and losses arising from the translation of the Corporation's related net investments.

Currency financial derivatives

Occasionally, the Corporation uses currency financial derivatives to manage the currency fluctuation risk associated with forecasted cash disbursements in a foreign currency, including in relation with its United States commercial paper program (Note 22). Gains or losses arising from the change in fair value of these derivative financial instruments are recognized in the consolidated statements of earnings as foreign exchange gain or loss unless they have been designated as part of hedging relationships.

Forward starting interest rate swaps

From time to time, the Corporation uses forward starting interest rate swaps to manage the interest rate risk associated with forecasted debt issuance. The Corporation designates these forward starting interest rate swaps as a cash flow hedge of the anticipated interest from the debt issuance. Accordingly, the effective portion of the changes in the fair value of the derivative financial instruments is recognized in OCI. Realized gains and losses in Accumulated other comprehensive income (loss) are reclassified to Financial expenses over the same periods as the interest expense on the debt is recognized in earnings.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 *Business Combinations*, are recognized at their fair value at the acquisition date.

Goodwill arising from business combinations is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination and any non-controlling interests in the acquiree over the net fair value of the identifiable assets, liabilities and contingent liabilities recognized.

Determination of the fair value of the assets acquired and liabilities assumed requires judgment and the use of assumptions that, if changed, may affect the consolidated statements of earnings and consolidated balance sheets.

For purchase price allocation and impairment testing purposes, goodwill and other intangible assets with indefinite useful lives are allocated to cash-generating units ("CGUs") based on the lowest level at which management reviews the results, a level which is not higher than the operating segment. Goodwill is tested for impairment annually during the Corporation's first quarter or more frequently should events or changes in circumstances indicate that it might be impaired or if necessary due to the timing of acquisitions.

New accounting policy adopted during the current fiscal year

Amendments to IAS 1 Presentation of financial statements

During fiscal 2024, the Corporation adopted *Disclosure of Accounting Policies (Amendments to IAS 1)*, which had no significant impact on the Corporation's consolidated financial statements.

Amendments to IAS 12 Income taxes

During fiscal 2024, the Corporation adopted *International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)*. As a result, the Corporation has applied the exception to not recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. As a result of its evaluation, the Corporation does not expect that enacted or substantively enacted but not yet in effect Pillar Two legislation will have a significant impact on its consolidated financial statements.

Recently issued accounting policies but not yet implemented

Amendments to IAS 1 Presentation of financial statements

In January 2020, the International Accounting Standards Board ("IASB") issued *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period. For the purpose of non-current classification, the amendments remove the requirement for a right to defer settlement of or roll over a liability for at least 12 months to be unconditional. Instead, such a right must have substance and must exist at the end of the reporting period. The amendments also clarify the definition of a settlement and provide situations which would be considered as a settlement of a liability. In October 2022, the IASB issued *Non-current Liabilities with Covenants (Amendments to IAS 1)*. These further amendments clarify how to address the effects on classification and disclosure of covenants which an entity is required to comply with on or before the reporting date and covenants which an entity must comply with only after the reporting date. On April 29, 2024, the Corporation will apply these amendments, which are not expected to have a significant impact on its consolidated financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures

In May 2023, the IASB issued *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).* The amendments introduce new disclosure requirements related to supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. On April 29, 2024, the Corporation will apply these amendments. The Corporation expects to provide additional disclosures on its supplier finance arrangements.

Amendments to IFRS 7 Financial instruments: disclosures and IFRS 9 Financial instruments

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)*. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion, add new disclosures for certain instruments with contractual terms that can change cash flows and update the disclosures for equity instruments designated at fair value through OCI. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Corporation is currently evaluating the impact of these amendments on its consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued *IFRS 18 Presentation and Disclosure in Financial Statements*, which will replace *IAS 1 Presentation of financial statements*. The standard introduces a defined structure for the statement of earnings, composed of categories and required subtotals. The standard also introduces specific disclosure requirements related to management-defined performance measures and a reconciliation between these measures and the most similar specified subtotal in IFRS Accounting Standards, which will need to be disclosed in a single note. The standard is effective for annual reporting periods beginning on or after January 1, 2027 and retrospective application is required. The Corporation is currently evaluating the impact of this new standard on its consolidated financial statements.

A number of other new standards or amendments to standards and interpretations will be effective for the fiscal year beginning April 29, 2024 or after. The Corporation does not expect that these other new standards or amendments will have a significant impact on its consolidated financial statements.

4. BUSINESS ACQUISITIONS

The Corporation has made the following business acquisitions:

2024

Acquisition of certain European retail assets from TotalEnergies SE

On December 28, 2023 and January 3, 2024, the Corporation closed the acquisition of 2,175 sites from TotalEnergies SE for a total cash consideration of €3,447.4 ($3,801.0), including preliminary adjustments, and subject to post closing adjustments representing a consideration receivable of €37.0 ($40.8) as at the date of publication of these consolidated financial statements. The retail assets included in the transaction cover 1,191 sites located in Germany, 562 sites in Belgium, 378 sites in the Netherlands, and 44 sites in Luxembourg, of which 1,492 sites are company-owned and 683 sites are dealer-owned. For the same sites included in the transaction, 19% are company-operated and 81% are dealer-operated. The transaction comprises 100% of TotalEnergies SE's retail assets in Germany and the Netherlands, as well as a 60% controlling interest in the Belgium and Luxembourg entities (together "Circle K Belgium SA" (Note 5)). The transaction was financed using the Corporation's available cash, United States commercial paper program and a new non-revolving credit facility (Note 22).

During the fiscal year ended April 30, 2023 and the fiscal year ended April 28, 2024, to mitigate the currency fluctuation risk associated with the Euro, the Corporation entered into Euro / US dollar currency forward contracts with financial institutions for a portion of the consideration, representing €1,600.0 and €298.0, respectively. For hedge accounting purposes, the

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Corporation notionally divided these currency forwards, with the Canadian dollar imputed as the base currency for two notional derivatives (Note 20). In relation with the closing of the transaction, the currency forwards were settled and as a result, on December 28, 2023, the accumulated losses of $23.6 for the Euro / Canadian dollar notional derivatives were removed from Accumulated other comprehensive loss and were included as part of the consideration paid for the acquisition.

Given the timing and the size of this transaction, the Corporation has not yet completed its measurement assessment of the assets acquired, the liabilities assumed, the non-controlling interests and the goodwill related to this acquisition. The allocation of the purchase price to the different assets acquired and liabilities assumed is based on the fair value of those assets and liabilities which are determined using preliminary information and therefore, during the measurement period, the fair values are subject to change, mainly relating to property and equipment, right-of-use assets, intangible assets, provisions, lease liabilities and deferred income taxes. Non-controlling interests at the acquisition date were measured based on the proportionate share of Circle K Belgium SA's identifiable net assets.

The preliminary estimates of the fair value of assets acquired and liabilities assumed for this acquisition based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these consolidated financial statements are as follows:

	Preliminary estimate	Changes	Adjusted preliminary estimate
	$	$	$
Tangible assets acquired			
Cash and cash equivalents	118.4	—	118.4
Accounts receivable[(a)]	780.6	(18.5)	762.1
Inventories	170.6	—	170.6
Property and equipment	748.0	468.1	1,216.1
Right-of-use assets	614.0	22.6	636.6
Other assets	7.0	—	7.0
Total tangible assets	2,438.6	472.2	2,910.8
Liabilities assumed			
Accounts payable and accrued liabilities	1,361.3	(19.2)	1,342.1
Other short-term financial liabilities	52.1	—	52.1
Income taxes payable	16.6	(0.2)	16.4
Provisions	21.8	116.5	138.3
Lease liabilities	613.4	23.2	636.6
Pension benefit liability	5.2	—	5.2
Deferred credits and other liabilities	16.1	—	16.1
Deferred income taxes	7.8	79.7	87.5
Total liabilities assumed	2,094.3	200.0	2,294.3
Net tangible assets acquired	344.3	272.2	616.5
Intangible assets	128.0	351.4	479.4
Non-controlling interests	(49.1)	(62.9)	(112.0)
Goodwill	3,401.4	(601.5)	2,799.9
Total cash consideration to the seller	3,801.0	—	3,801.0
Consideration receivable	—	(40.8)	(40.8)
Basis adjustment for the Euro / Canadian dollar notional derivatives	23.6	—	23.6
Total consideration	3,824.6	(40.8)	3,783.8
Consideration receivable	—	40.8	40.8
Cash and cash equivalent acquired, including bank overdrafts of $52.1	(66.3)	—	(66.3)
Net cash flow for the acquisition	3,758.3	—	3,758.3

(a) Gross contractual amounts receivable of $767.1, with an amount of $5.0 not expected to be collected.

The preliminary estimates of the fair value of the identifiable assets acquired included $479.4 in intangible assets and management applied significant judgment in estimating these provisional amounts of the fair values. To estimate the provisional amounts of the fair values of the intangible assets, management used valuations methods such as the relief from royalty and multi-period excess earnings using discounted cash flow models. Management developed key assumptions which include i) projected growth rates for revenues and volumes of road transportation fuel sold; ii) projected cash flows iii) projected royalty rates; iv) useful lives; v) attrition rates and vi) discount rates.

The preliminary estimates of the fair value of the identifiable assets acquired included $1,216.1 in property and equipment and management applied significant judgment in estimating these provisional amounts of the fair values. To estimate the provisional amounts of the fair values of the property and equipment, management used the indirect method of the cost approach. Management developed key assumptions which include i) useful lives; ii) depreciation methods and iii) inflation indices.

This acquisition was concluded in order to penetrate new strategic markets and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that all of the goodwill related to the German entities will be deductible for tax purposes, while it expects that none of the goodwill related to the Netherlands entities and Circle K Belgium SA will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings from this acquisition amounted to $3,587.4 and $16.6, respectively.

Acquisition of convenience retail and fuel sites operating under the MAPCO brand

On November 1, 2023, the Corporation closed the acquisition of 112 company-owned and operated convenience retail and fuel sites operating under the MAPCO brand and located in the states of Alabama, Georgia, Kentucky, Mississippi and Tennessee, in the United States. The acquisition also includes surplus properties and a logistics fleet. The transaction was settled for a consideration of $468.7, financed using the Corporation’s available cash and its United States commercial paper program. The Corporation owns the building and the land for 84 sites and owns the building while leasing the land for 28 sites.

Given the timing and the size of this transaction, the Corporation has not yet completed its measurement assessment of the assets acquired, the liabilities assumed and the goodwill related to this acquisition. The allocation of the purchase price to the different assets acquired and liabilities assumed is based on the fair value of those assets and liabilities which are determined using preliminary information and therefore, during the measurement period, the fair values are subject to change, mainly relating to property and equipment, right-of-use assets, provisions and lease liabilities.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The preliminary estimates of the fair value of assets acquired and liabilities assumed for this acquisition based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these consolidated financial statements are as follows:

	Preliminary estimate	Changes	Adjusted preliminary estimate
	$	$	$
Tangible assets acquired			
Cash and cash equivalents	—	0.6	0.6
Accounts receivable	—	0.4	0.4
Inventories	16.7	—	16.7
Property and equipment	245.3	26.0	271.3
Right-of-use assets	15.8	7.7	23.5
Total tangible assets	277.8	34.7	312.5
Liabilities assumed			
Accounts payable and accrued liabilities	17.1	—	17.1
Provisions	3.3	4.2	7.5
Lease liabilities	15.8	7.7	23.5
Total liabilities assumed	36.2	11.9	48.1
Net tangible assets acquired	241.6	22.8	264.4
Intangible assets	0.8	—	0.8
Goodwill	226.2	(22.7)	203.5
Total consideration	468.6	0.1	468.7
Cash and cash equivalents acquired	—	(0.6)	(0.6)
Net cash flow for the acquisition	468.6	(0.5)	468.1

This acquisition was concluded in order to expand the Corporation's market share and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that all of the goodwill related to this transaction will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings from this acquisition amounted to $339.9 and $14.2, respectively.

Pro forma information

On a pro forma basis and considering associated financing costs, had the Corporation concluded the acquisition of certain European retail assets from TotalEnergies SE and the acquisition of convenience retail and fuel sites operating under the MAPCO brand at the beginning of its fiscal year, the Corporation's estimated total revenues and net earnings would have amounted to $77,300.0 and $2,770.0, respectively.

Other acquisitions

During the fiscal year ended April 28, 2024, the Corporation acquired 27 company-operated stores, for which it owns the building and the land for 16 sites, owns the building while leasing the land for 7 sites and leases the building and the land for the other sites. These transactions were settled for a total consideration of $93.2 using available cash and generated goodwill for an amount of $27.2.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The preliminary estimates of the fair value of assets acquired and liabilities assumed for these acquisitions based on the estimated fair value on the date of acquisition and available information as at the date of the publication of these consolidated financial statements are as follows:

	$
Tangible assets acquired	
Cash and cash equivalents	0.1
Inventories	4.4
Prepaid expenses	0.3
Property and equipment	51.7
Right-of-use assets	6.1
Total tangible assets	62.6
Liabilities assumed	
Accounts payable and accrued liabilities	0.2
Provisions	1.0
Lease liabilities	6.1
Total liabilities assumed	7.3
Net tangible assets acquired	55.3
Intangible assets	10.7
Goodwill	27.2
Total consideration	93.2
Cash and cash equivalents acquired	(0.1)
Net cash flow for the acquisitions	93.1

These acquisitions were concluded in order to expand the Corporation's market shares and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. The Corporation expects that almost all of the goodwill related to these transactions will be deductible for tax purposes. Since the date of acquisition, revenues and net earnings from these stores amounted to $80.7 and $1.8, respectively. Considering the size and the nature of these acquisitions, the available financial information does not allow for the accurate disclosure of pro forma revenues and net earnings had the Corporation concluded these acquisitions at the beginning of its fiscal year.

For the fiscal year ended April 28, 2024, acquisition costs of $18.1 in connection with the acquisitions closed during this period and other unrealized and ongoing acquisitions are included in Operating, selling, general and administrative expenses.

2023

Acquisition of Cape D'Or Holdings Limited, Barrington Terminals Limited and other related holding entities

On August 30, 2022, the Corporation closed the acquisition of all the issued and outstanding shares of Cape D'Or Holdings Limited, Barrington Terminals Limited, and other related holding entities which operate an independent convenience store and fuel network in Atlantic Canada under the Esso, Go! Store and Wilsons Gas Stops brands (collectively "Wilsons"). The Wilsons network comprises 79 company-owned and operated convenience retail and fuel locations, 2 company-owned and dealer-operated locations, 137 dealer-owned and operated locations, and a fuel terminal in Halifax, Canada. The transaction was settled for a consideration of CA $280.9 ($215.3), using available cash.

In connection with obtaining the Competition Bureau (Canada) approval for the transaction, the Corporation entered into a consent agreement with the Commissioner of Competition to divest 34 company-owned and operated convenience retail and fuel locations, 1 company-owned and dealer-operated location, and 12 dealer-owned and operated locations in New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island, Canada. From the acquisition date, the assets and liabilities related to the locations to be divested were classified as held for sale on the consolidated balance sheet. On March 1, 2023, the Corporation closed the divestiture of these locations and of five additional dealer-owned and operated locations for a consideration of $59.2. In addition, the consideration includes a contingent consideration receivable based on the future performance of the divested locations and which can go up to a maximum amount of $8.5. The Corporation assessed that the fair value of the contingent consideration receivable was not significant.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The final estimates of the fair value of assets acquired and liabilities assumed for the Wilsons acquisition are as follow:

	$
Identifiable assets acquired	
Current assets	
Cash and cash equivalents	7.2
Accounts receivable	7.8
Inventories	8.7
Prepaid expenses	0.5
Assets held for sale[a]	64.9
	89.1
Property and equipment	79.7
Right-of-use assets	0.6
Intangible assets	29.8
Other assets	0.7
Total identifiable assets	199.9
Liabilities assumed	
Current liabilities	
Accounts payable and accrued liabilities	29.8
Short-term provisions	0.1
Liabilities associated with assets held for sale	1.6
Current portion of long-term debt	52.3
Current portion of lease liabilities	0.1
	83.9
Lease liabilities	0.5
Long-term provisions	1.9
Deferred credits and other liabilities	0.3
Deferred income taxes	12.1
Total liabilities assumed	98.7
Net identifiable assets acquired	101.2
Goodwill[a]	114.1
Total consideration	215.3
Cash and cash equivalents acquired	(7.2)
Net cash flow for the acquisition	208.1

(a) Assets held for sale include goodwill for an amount of $29.7.

On August 30, 2022, the Corporation repaid all of Wilsons' borrowings for an amount of $52.3. The Wilsons acquisition was concluded in order to expand the Corporation’s market share and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. None of the goodwill related to this transaction was deductible for tax purposes.

Acquisition of True Blue Car Wash LLC

On February 8, 2023, the Corporation acquired all of the memberships interests of True Blue. True Blue operates 65 express tunnel car wash sites under the brands Clean Freak and Rainstorm, in the Midwest and Southwest regions of the United States. The transaction was settled for a consideration of $303.5 and was financed using borrowings available under the Corporation’s United States commercial paper program (Note 22) and available cash.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

During fiscal 2024, the Corporation has made adjustments and finalized its estimates of the fair value of assets acquired and liabilities assumed for the True Blue acquisition, which are as follows:

	2023 preliminary estimate	Changes	Final estimate
	$	$	$
Identifiable assets acquired			
Current assets			
Cash and cash equivalents	3.4	—	3.4
Accounts receivable	0.3	—	0.3
Inventories	0.2	—	0.2
Prepaid expenses	0.3	—	0.3
	4.2	—	4.2
Property and equipment	43.5	0.2	43.7
Right-of-use assets	183.8	7.7	191.5
Intangible assets	38.5	10.3	48.8
Other assets	0.2	—	0.2
Total identifiable assets	270.2	18.2	288.4
Liabilities assumed			
Current liabilities			
Accounts payable and accrued liabilities	9.3	0.2	9.5
Current portion of long-term debt	92.2	—	92.2
Current portion of lease liabilities	6.3	—	6.3
	107.8	0.2	108.0
Lease liabilities	176.5	7.7	184.2
Total liabilities assumed	284.3	7.9	292.2
Net liabilities assumed	(14.1)	10.3	(3.8)
Goodwill	316.3	(9.0)	307.3
Total consideration	302.2	1.3	303.5
Cash and cash equivalents acquired	(3.4)	—	(3.4)
Net cash flow for the acquisition	298.8	1.3	300.1

On February 8, 2023, the Corporation repaid all of True Blue's borrowings for an amount of $92.2. The True Blue acquisition was concluded in order to expand the Corporation’s market share related to its car wash operations and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. All of the goodwill related to this transaction was deductible for tax purposes.

Acquisition of Big Red Stores

On April 17, 2023, the Corporation acquired 45 company-owned and operated convenience retail and fuel sites operating under the Big Red Stores brand and located in the state of Arkansas, United States. The transaction was settled for a consideration of $285.7. The transaction was financed using the Corporation’s available cash and existing credit facilities.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

During fiscal 2024, the Corporation has made adjustments and finalized its estimates of the fair value of assets acquired and liabilities assumed for the Big Red Stores acquisition, which are as follows:

	2023 preliminary estimate	Changes	Final estimate
	$	$	$
Identifiable assets acquired			
Current assets			
Cash and cash equivalents	0.1	—	0.1
Accounts receivable	0.2	—	0.2
Inventories	5.3	—	5.3
	5.6	—	5.6
Property and equipment	122.1	(28.9)	93.2
Total identifiable assets	127.7	(28.9)	98.8
Liabilities assumed			
Provisions	0.9	—	0.9
Total liabilities assumed	0.9	—	0.9
Net identifiable assets acquired	126.8	(28.9)	97.9
Goodwill	158.9	28.9	187.8
Total consideration	285.7	—	285.7
Cash and cash equivalents acquired	(0.1)	—	(0.1)
Net cash flow for the acquisition	285.6	—	285.6

The Big Red Stores acquisition was concluded in order to expand the Corporation's market share and generated goodwill mainly due to the strategic value of the locations acquired for the Corporation. All of the goodwill related to this transaction was deductible for tax purposes.

Other acquisitions

During the fiscal year ended April 30, 2023, the Corporation also acquired 17 company-operated stores, including 10 company-owned and operated convenience retail and fuel sites operating under the Dion's Quik Chik brand and located in the state of Florida, United States. The Corporation owns the building and the land for seven sites, owns the building while leasing the land for seven sites and leases the building and the land for the other sites. These transactions were settled for a total consideration of $63.5, including a cash consideration of $54.6 using available cash and a consideration payable of $8.9.

The final estimates of the fair value of the assets acquired and the liabilities assumed for these acquisitions are as follows:

	$
Identifiable assets acquired	
Current assets	
Inventories	2.0
Prepaid expenses	0.1
	2.1
Property and equipment	19.3
Right-of-use assets	16.5
Total identifiable assets	37.9
Liabilities assumed	
Accounts payable and accrued liabilities	0.7
Provisions	0.3
Lease liabilities	16.4
Total liabilities assumed	17.4
Net identifiable assets acquired	20.5
Goodwill	43.0
Total consideration	63.5
Consideration payable	(8.9)
Net cash flows for the acquisitions	54.6

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

These acquisitions were concluded in order to expand the Corporation's market share and generated goodwill mainly due to the strategic value of stores acquired for the Corporation. Almost all of the goodwill related to these transactions was deductible for tax purposes.

For the fiscal year ended April 30, 2023, acquisition costs of $13.7 in connection with the acquisitions closed during this period and other unrealized and ongoing acquisitions are included in Operating, selling, general and administrative expenses.

5. CIRCLE K BELGIUM SA

In relation with the acquisition of certain European retail assets from TotalEnergies SE (Note 4), the Corporation acquired a 60% ownership interest in Circle K Belgium SA, a company established in Belgium and which, together with its wholly-owned subsidiaries, operates the sites located in Belgium and Luxembourg. Following the evaluation of its relationship with Circle K Belgium SA, the Corporation concluded that it controls the company's operations and, as a result, the Corporation fully consolidates Circle K Belgium SA in its consolidated financial statements. The consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the fiscal year ended April 28, 2024 include those of Circle K Belgium SA for the period beginning January 3, 2024 and ending April 28, 2024. As at April 28, 2024, the Corporation held a 60% ownership interest in Circle K Belgium SA.

The Corporation and TotalEnergies Marketing Belgium SA, which holds the remaining 40% ownership interest in this entity, entered into a shareholder's agreement which entitles each of the parties, at their sole discretion after a period of two years following the closing of the transaction and as long as the shareholder's agreement is in force, to sell its ownership interests to the other party. As a result, a redemption liability of $251.0, representing the present value of the estimated redemption amount for the remaining 40% ownership interest as at January 3, 2024, was recorded to Other long-term financial liabilities on the consolidated balance sheet, with an equivalent amount reclassified from Retained earnings. Subsequent to the initial recognition of the redemption liability, the effects of its discounting and any changes to the gross redemption amount are recorded to Retained earnings. As at April 28, 2024, the redemption liability amounted to $247.2.

The tables below present summarized financial information about the assets, liabilities, earnings, comprehensive income and cash flows of Circle K Belgium SA's:

Statements of Earnings and Comprehensive Income for the period from January 3, 2024 to April 28, 2024	$
Revenues	1,040.5
Net earnings	6.2
Comprehensive loss	(13.3)

Statement of Cash Flows for the period from January 3, 2024 to April 28, 2024	$
Net cash provided by operating activities	109.1
Net cash used in investing activities	(5.9)
Net cash used in financing activities	(7.5)

Balance Sheet as at April 28, 2024	$
Current assets	403.0
Long-term assets	1,143.1
Current liabilities	438.3
Long-term liabilities	250.0

6. INVESTMENTS IN FIRE & FLOWER HOLDINGS CORP. ("FIRE & FLOWER")

On August 7, 2019, the Corporation invested in Fire & Flower, an independent cannabis retailer. The investment was in the form of unsecured convertible debentures with an initial principal amount of CA $26.0 as well as five series of common share purchase warrants. On June 30, 2023, the unsecured convertible debentures matured without being converted and the remaining outstanding common share purchase warrants expired without being exercised. Until the occurrence of the events described below, the Corporation had assessed that its voting rights were providing it with significant influence over Fire & Flower.

On June 6, 2023, following the reception by Fire & Flower of an order for creditor protection under the *Companies' Creditors Arrangement Act*, the Corporation executed a facility agreement with Fire & Flower pursuant to which it agreed to advance a

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

CA $9.8 ($7.2) debtor-in-possession loan. On June 21, 2023, the Ontario Superior Court of Justice approved a Sales and Investment Solicitation Process ("SISP") which concluded with a sale transaction with a successful bidder on September 15, 2023. As a result, the principal and accrued interests related to the debtor-in-possession loan and a CA $11.0 ($8.0) secured loan, which was granted to Fire & Flower, were repaid, and the Corporation's ownership interest in Fire & Flower was cancelled. During the fiscal year ended April 28, 2024, losses of $3.5 were recorded, bringing the carrying amount of the Corporation's ownership interest in Fire & Flower to nil.

7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATED COMPANIES

The following table shows the amounts related to the Corporation's investment in joint ventures and associated companies presented on the consolidated balance sheets:

	2024	2023
	$	$
Investment in joint ventures	**185.7**	179.9
Investment in associated companies	**—**	3.5
	185.7	183.4

These investments, none of which are individually significant to the Corporation, are recorded according to the equity method. The following amounts represent the Corporation's share of the joint ventures' and associated companies' net earnings and comprehensive income:

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Joint ventures' net earnings and comprehensive income	**27.3**	28.9
Associated companies' losses and comprehensive loss	**(1.5)**	(25.1)
	25.8	3.8

8. SUPPLEMENTARY INFORMATION RELATING TO EXPENSES

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Cost of sales	**57,193.7**	59,827.1
Selling and marketing expenses	**7,055.8**	6,739.0
Administrative expenses	**1,121.4**	981.8
Other operating expenses	**82.4**	76.8

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Employee benefit charges		
Salaries	**3,087.5**	2,973.5
Fringe benefits and other employer contributions	**307.6**	279.8
Employee future benefits (Note 30)	**176.6**	170.2
Stock-based compensation and other stock-based payments (Note 28)	**30.9**	28.3
Termination benefits	**—**	14.1
	3,602.6	3,465.9

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

9. COMPENSATION OF KEY MANAGEMENT PERSONNEL

	2024 (52 weeks)	2023 (53 weeks)
	$	$
Salaries and other current benefits	**9.4**	13.0
Stock-based compensation and other stock-based payments	**19.1**	14.3
Employee future benefits (Note 30)	**2.9**	2.9
	31.4	30.2

Key management personnel comprise members of the Board of Directors, President and Chief Executive Officer, and Executive Vice-Presidents.

10. FINANCIAL EXPENSES AND OTHER FINANCIAL ITEMS

	2024 (52 weeks)	2023 (53 weeks)
	$	$
Financial expenses		
Interest on short-term debt and long-term debt	**390.8**	256.6
Interest on lease liabilities	**126.1**	96.3
Accretion of provisions (Note 25)	**31.7**	18.9
Other finance costs	**26.1**	12.4
	574.7	384.2
Other financial items		
Interest on bank deposits and term deposits	**(150.8)**	(93.9)
Other financial revenues	**(7.5)**	(9.9)
Change in fair value of financial instruments classified at fair value through earnings or loss (Note 31)	**10.6**	25.6
Reclassification adjustment (Note 23)	**(32.9)**	—
	(180.6)	(78.2)

11. INCOME TAXES

	2024 (52 weeks)	2023 (53 weeks)
	$	$
Current income tax expense	**655.4**	757.3
Deferred income tax expense	**60.5**	80.9
	715.9	838.2

The principal items which resulted in differences between the Corporation’s effective income tax rates and its combined statutory rates in Canada are detailed as follows:

	2024	2023
	%	%
Combined statutory income tax rate in Canada[a]	**26.50**	26.50
Impact of other jurisdictions’ tax rates	**(4.28)**	(4.29)
Other permanent differences	**(1.46)**	(0.88)
Effective income tax rate	**20.76**	21.33

(a) The Corporation’s combined statutory income tax rate in Canada includes the appropriate provincial income tax rates.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The components of deferred income tax assets and liabilities are as follows:

					2024 (52 weeks)
	Balance as at April 30, 2023	Recognized to earnings	Recognized directly to OCI or equity	Recognized through business acquisitions	Balance as at April 28, 2024
	$	$	$	$	$
Deferred income tax assets					
Property and equipment	(11.3)	15.4	(10.0)	—	(5.9)
Expenses deductible during the following years	(5.0)	4.7	—	—	(0.3)
Intangible assets	3.6	33.1	(0.5)	—	36.2
Deferred charges	35.5	4.8	(1.2)	—	39.1
Tax losses and tax credits carried forward	5.9	13.2	(4.3)	—	14.8
Asset retirement obligations	13.8	0.2	0.3	—	14.3
Deferred credits	(6.8)	(4.0)	0.1	—	(10.7)
Revenues taxable during the following years	0.1	0.1	—	—	0.2
Right-of-use assets	(63.6)	6.5	(1.8)	—	(58.9)
Lease liabilities	65.5	(4.4)	0.8	—	61.9
Investments	10.1	(3.8)	0.3	—	6.6
Other	3.2	(4.7)	2.2	—	0.7
	51.0	61.1	(14.1)	—	98.0

					2024 (52 weeks)
	Balance as at April 30, 2023	Recognized to earnings	Recognized directly to OCI or equity	Recognized through business acquisitions	Balance as at April 28, 2024
	$	$	$	$	$
Deferred income tax liabilities					
Property and equipment	1,196.2	166.9	(7.2)	57.1	1,413.0
Expenses deductible during the following years	(19.2)	0.6	—	—	(18.6)
Intangible assets	89.5	(30.4)	(1.2)	44.2	102.1
Goodwill	293.2	6.5	(0.2)	(1.9)	297.6
Deferred Charges	(51.8)	(14.3)	3.9	—	(62.2)
Tax losses and tax credits carried forward	(47.2)	(2.3)	(1.5)	—	(51.0)
Asset retirement obligations	(74.3)	(14.4)	1.3	(10.4)	(97.8)
Deferred credits	(6.2)	2.8	0.1	(0.6)	(3.9)
Revenues taxable during the following years	20.0	10.9	(0.6)	—	30.3
Right-of-use assets	214.5	(7.0)	(5.2)	67.4	269.7
Lease liabilities	(270.2)	2.0	5.2	(68.3)	(331.3)
Investments	4.7	3.9	—	—	8.6
Other	—	—	(0.5)	—	(0.5)
Unrealized exchange loss	(65.3)	(3.6)	(5.0)	—	(73.9)
	1,283.9	121.6	(10.9)	87.5	1,482.1

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

					2023 (53 weeks)
	Balance as at April 24, 2022	Recognized to earnings	Recognized directly to OCI or equity	Recognized through business acquisitions	Balance as at April 30, 2023
	$	$	$	$	$
Deferred income tax assets					
Property and equipment	(10.5)	(4.9)	4.1	—	(11.3)
Expenses deductible during the following years	(4.1)	(1.2)	0.3	—	(5.0)
Intangible assets	0.9	1.4	1.3	—	3.6
Deferred charges	34.3	4.6	(3.4)	—	35.5
Tax losses and tax credits carried forward	15.1	0.5	(9.7)	—	5.9
Asset retirement obligations	12.2	2.8	(1.2)	—	13.8
Deferred credits	(7.2)	(0.9)	1.3	—	(6.8)
Revenues taxable during the following years	2.0	(1.7)	(0.2)	—	0.1
Right-of-use assets	(68.1)	(0.7)	5.2	—	(63.6)
Lease liabilities	69.9	1.0	(5.4)	—	65.5
Investments	1.3	7.5	1.3	—	10.1
Other	3.7	9.2	(9.7)	—	3.2
	49.5	17.6	(16.1)	—	51.0

					2023 (53 weeks)
	Balance as at April 24, 2022	Recognized to earnings	Recognized directly to OCI or equity	Recognized through business acquisitions	Balance as at April 30, 2023
	$	$	$	$	$
Deferred income tax liabilities					
Property and equipment	1,161.5	36.3	(5.0)	3.4	1,196.2
Expenses deductible during the following years	(27.0)	7.8	—	—	(19.2)
Intangible assets	1.1	80.4	(0.7)	8.7	89.5
Goodwill	288.3	9.5	(4.6)	—	293.2
Deferred charges	(65.0)	12.0	1.2	—	(51.8)
Tax losses and tax credits carried forward	(40.5)	(13.5)	6.8	—	(47.2)
Asset retirement obligations	(66.9)	(9.0)	1.6	—	(74.3)
Deferred credits	(8.4)	2.2	—	—	(6.2)
Revenues taxable during the following years	19.5	0.3	0.2	—	20.0
Right-of-use assets	236.5	(9.2)	(13.0)	0.2	214.5
Lease liabilities	(288.5)	4.5	14.0	(0.2)	(270.2)
Investments	7.5	(2.6)	(0.2)	—	4.7
Unrealized exchange loss	(35.4)	(20.2)	(9.7)	—	(65.3)
	1,182.7	98.5	(9.4)	12.1	1,283.9

The losses carried forward and deductible temporary differences for which deferred tax assets have not been recognized amounted to $731.9 as at April 28, 2024 ($694.8 as at April 30, 2023), of which $599.0 will reverse through OCI ($570.9 as at April 30, 2023).

Of these amounts, approximately $708.2 as at April 28, 2024 had no expiration date ($682.5 as at April 30, 2023). Net capital losses can be carried forward indefinitely and can only be used against future taxable capital gains. Other losses carried forward and deductible temporary differences will expire as follows:

	$
Less than one year to three years	—
Three to four years	0.1
Four to five years	5.5
Five to ten years	0.3
Ten to twenty years	17.8
	23.7

During the fiscal year ended April 28, 2024, $0.9 of previously unrecognized deferred tax assets have been used.

Deferred income tax liabilities that would be payable upon repatriation of the retained earnings of some foreign subsidiaries have not been recognized because such amounts are not expected to materialize in the foreseeable future. Temporary differences related to these investments amounted to $10,691.6 ($9,132.5 in 2023).

12. NET EARNINGS PER SHARE

The following table presents the information for the computation of basic and diluted net earnings per share:

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Net earnings attributable to shareholders of the Corporation	**2,729.7**	3,090.9
Weighted average number of shares (in millions)	**966.7**	1,007.7
Dilutive effect of stock options (in millions)	**1.5**	1.8
Weighted average number of diluted shares (in millions)	**968.2**	1,009.5
Basic net earnings per share	**2.82**	3.07
Diluted net earnings per share	**2.82**	3.06

When they have an antidilutive effect, stock options must be excluded from the calculation of the diluted net earnings per share. For fiscal 2024, 14,198 stock options were excluded (nil stock options excluded in 2023).

For fiscal 2024, the Board of Directors declared total dividends of CA 66.50¢ per share (CA 53.00¢ per share for 2023).

13. SUPPLEMENTARY INFORMATION RELATING TO THE STATEMENTS OF CASH FLOWS

Changes in non-cash working capital

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Accounts receivable	**110.4**	106.5
Inventories	**20.6**	202.8
Prepaid expenses	**6.2**	(5.9)
Accounts payable and accrued liabilities	**145.1**	(577.5)
Current income taxes	**(119.2)**	(41.3)
	163.1	(315.4)

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Changes in liabilities arising from financing activities

	2024 (52 weeks)			2023 (53 weeks)		
	Net other financial liabilities[a]	**Lease liabilities**	**Long-term debt**	Net other financial liabilities[a]	Lease liabilities (adjusted, Note 2)	Long-term debt
	$	**$**	**$**	$	$	$
Balance, beginning of year	**94.6**	**3,584.6**	**5,889.0**	36.6	3,474.9	5,965.0
Cash flows						
Net cash proceeds (payments) on debts presented as financing activities	**—**	**—**	**4,450.9**	—	—	(145.9)
Principal elements of lease payments	**—**	**(478.9)**	**—**	—	(438.9)	—
Non-cash movements						
Reclassified to liabilities associated with assets held for sale	**—**	**—**	**—**	—	(2.5)	—
Change in estimates	**—**	**215.0**	**—**	—	189.1	—
Additions	**—**	**228.7**	**—**	—	241.4	—
Change in fair value	**6.7**	**—**	**—**	58.0	—	—
Business acquisitions (Note 4)	**—**	**666.2**	**—**	—	207.5	144.5
Amortization of financing costs and discounts on issuance of short-term debt	**—**	**—**	**5.2**	—	—	3.8
Effect of exchange rate fluctuations	**—**	**(37.2)**	**(51.8)**	—	(86.9)	(78.4)
Balance, end of year	**101.3**	**4,178.4**	**10,293.3**	94.6	3,584.6	5,889.0

(a) Excluding fuel swaps and redemption liability.

14. ACCOUNTS RECEIVABLE

	2024	2023
	$	$
Trade accounts receivable, proprietary cards receivable and vendor rebates receivable[a]	**1,998.2**	1,569.8
Credit and debit cards receivable from payment-processing providers[a]	**652.3**	510.0
Provision for expected credit losses	**(37.7)**	(28.2)
	2,612.8	2,051.6
Other accounts receivable[b]	**316.6**	246.9
	2,929.4	2,298.5

(a) These amounts are presented net of an amount of $127.8 from Accounts payable and accrued liabilities (Note 21) due to netting arrangements ($133.4 as at April 30, 2023).

(b) No provision for expected credit losses on Other accounts receivable for the fiscal years ended April 28, 2024 and April 30, 2023.

The following table details the aging of Credit and debit cards receivable from payment-processing providers, and Trade accounts receivable, proprietary cards receivable and vendor rebates receivable on a gross basis as well as the aging of provision for expected credit losses based on expected loss rate:

	2024			2023		
	Gross carrying amount	**Expected loss rate**	**Loss allowance**	Gross carrying amount	Expected loss rate	Loss allowance
	$	**%**	**$**	$	%	$
Not past due	**2,330.9**	**0.5**	**10.7**	1,891.1	0.1	2.2
Past due 1-90 days	**265.1**	**1.5**	**3.9**	128.9	1.5	1.9
Past due 91 days and over	**54.5**	**42.4**	**23.1**	59.8	40.3	24.1
	2,650.5		**37.7**	2,079.8		28.2

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Movements in the provision for expected credit losses are as follows:

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Balance, beginning of year	**28.2**	33.4
Provision for expected credit losses, net of unused beginning balance	**14.6**	0.3
Receivables written off during the year	**(5.0)**	(4.8)
Effect of exchange rate variations	**(0.1)**	(0.7)
Balance, end of year	**37.7**	28.2

15. INVENTORIES

	2024	2023
	$	$
Merchandise	**1,113.5**	1,008.6
Road transportation fuel[(a)]	**1,199.0**	1,131.7
Other products	**20.6**	35.7
	2,333.1	2,176.0

(a) For the fiscal year ended April 28, 2024, write-down to net realizable value expenses of $12.3 were recorded for this category in Cost of sales, excluding depreciation, amortization and impairment in the consolidated statements of earnings ($8.1 for the fiscal year ended April 30, 2023).

The Cost of sales, excluding depreciation, amortization and impairment amounts presented in the consolidated statements of earnings are almost entirely composed of inventory recognized as an expense.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

16. PROPERTY AND EQUIPMENT

	Land	Buildings and building components	Equipment	Leasehold improvements	Total
	$	$	$	$	$
2024 (52 weeks)					
Net book amount, beginning	**3,577.5**	**3,144.5**	**4,465.1**	**657.2**	**11,844.3**
Additions	**87.6**	**446.3**	**1,089.5**	**240.7**	**1,864.1**
Business acquisitions (Note 4)	**314.7**	**569.5**	**512.5**	**142.4**	**1,539.1**
Disposals	**(25.7)**	**(18.1)**	**(45.4)**	**(4.3)**	**(93.5)**
Depreciation, amortization and impairment expense	**—**	**(306.5)**	**(718.4)**	**(104.8)**	**(1,129.7)**
Transfers	**—**	**6.4**	**(3.7)**	**(2.7)**	**—**
Effect of exchange rate variations	**(23.4)**	**(33.2)**	**(40.2)**	**(3.7)**	**(100.5)**
Net book amount, ending[(a)]	**3,930.7**	**3,808.9**	**5,259.4**	**924.8**	**13,923.8**
As at April 28, 2024					
Cost	**3,932.1**	**6,156.0**	**9,684.2**	**1,681.0**	**21,453.3**
Accumulated depreciation, amortization and impairment	**(1.4)**	**(2,347.1)**	**(4,424.8)**	**(756.2)**	**(7,529.5)**
Net book amount [(a)]	**3,930.7**	**3,808.9**	**5,259.4**	**924.8**	**13,923.8**
Portion related to property and equipment not operated by the Corporation as they are subject to operating leases[(b)]	**35.0**	**196.6**	**50.7**	**—**	**282.3**
2023 (53 weeks) (adjusted, Note 2)					
Net book amount, beginning	3,563.8	3,003.9	4,196.2	522.3	11,286.2
Additions	75.0	295.8	1,074.7	214.2	1,659.7
Business acquisitions (Note 4)	75.1	77.6	75.0	8.2	235.9
Disposals	(59.6)	(13.4)	(55.4)	(1.8)	(130.2)
Depreciation and amortization expense	—	(270.6)	(626.0)	(81.2)	(977.8)
Transfers	—	107.4	(109.9)	2.5	—
Reclassified to assets held for sale	(5.3)	(2.8)	(4.4)	(0.7)	(13.2)
Effect of exchange rate variations	(71.5)	(53.4)	(85.1)	(6.3)	(216.3)
Net book amount, ending[(a)]	3,577.5	3,144.5	4,465.1	657.2	11,844.3
As at April 30, 2023 (adjusted, Note 2)					
Cost	3,579.0	5,227.6	8,387.4	1,338.5	18,532.5
Accumulated depreciation, amortization and impairment	(1.5)	(2,083.1)	(3,922.3)	(681.3)	(6,688.2)
Net book amount [(a)]	3,577.5	3,144.5	4,465.1	657.2	11,844.3
Portion related to property and equipment not operated by the Corporation as they are subject to operating leases	38.9	9.9	5.4	—	54.2

(a) The net book amount as at April 28, 2024 includes $1,561.0 related to construction in progress ($1,236.4 as at April 30, 2023).

(b) As at April 28, 2024, an amount of $239.8 (net of accumulated depreciation, amortization and impairment of $8.6) relates to the acquisition of certain European retail assets from TotalEnergies SE (Note 4).

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

17. LEASES

Information about leases for which the Corporation is a lessee is presented below:

Right-of-use assets

The reconciliation of the Corporation's right-of-use assets by underlying asset classes is as follows:

	Properties	Motor vehicles	Equipment	Total
	$	$	$	$
2024 (52 weeks)				
Net book amount, beginning	**3,282.7**	**86.7**	**23.4**	**3,392.8**
Additions	**164.7**	**64.2**	**0.5**	**229.4**
Business acquisitions (Note 4)	**647.2**	**8.4**	**10.6**	**666.2**
Depreciation and amortization expense	**(462.0)**	**(32.1)**	**(6.9)**	**(501.0)**
Change in estimates	**227.0**	**(11.4)**	**(1.9)**	**213.7**
Deemed disposals related to subleases	**(0.4)**	**—**	**—**	**(0.4)**
Effect of exchange rate variations	**(34.7)**	**(2.0)**	**(0.9)**	**(37.6)**
Net book amount, ending	**3,824.5**	**113.8**	**24.8**	**3,963.1**
2023 (53 weeks) (adjusted, Note 2)				
Net book amount, beginning	3,216.3	66.2	19.7	3,302.2
Additions	184.1	49.0	9.2	242.3
Business acquisitions (Note 4)	208.6	—	—	208.6
Depreciation and amortization expense	(432.8)	(25.7)	(5.1)	(463.6)
Change in estimates	195.4	(2.1)	(0.3)	193.0
Reclassified to assets held for sale	(2.1)	—	—	(2.1)
Deemed disposals related to subleases	(5.8)	—	—	(5.8)
Effect of exchange rate variations	(81.0)	(0.7)	(0.1)	(81.8)
Net book amount, ending	3,282.7	86.7	23.4	3,392.8

Amounts recognized in the consolidated statements of earnings

	2024 (52 weeks)	2023 (53 weeks)
	$	$
Expenses relating to short-term leases and leases of low-value assets	**39.6**	33.4
Expenses relating to variable lease payments not included in the measurement of lease liabilities	**35.3**	23.4
Gain on sale and leaseback transactions	**3.6**	63.1

Information on cash flows

	2024 (52 weeks)	2023 (53 weeks)
	$	$
Total cash outflow for leases	**675.3**	592.0
Proceeds on sale and leaseback transactions	**14.5**	94.7

As at April 28, 2024, the Corporation leases mainly land, buildings, building components, motor vehicles and equipment. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease terms, for the majority of leases in North America, vary between 5 and 20 years, which include the initial base term and renewal option(s) when applicable. In Europe and Asia, the lease terms range from less than 12 months to contracts with maturities up to more than 50 years and also include options to renew at market prices when applicable. As at April 28, 2024, the Corporation was in compliance with the restrictions imposed by its lease agreements. The Corporation concludes from time to time sale and leaseback transactions, where it will usually continue to operate the sold property temporarily when it is beneficial for both the buyer and the Corporation to do so.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Some of the property leases contain variable payment terms that are linked to sales generated from a store. Variable lease payments that depend on sales are recognized in earnings in the period in which the conditions that trigger those payments occur. For the fiscal year ended April 28, 2024, a 10.0% increase in variable terms across all stores in the group with such variable payment terms would not have had a significant impact on the total lease payments.

Extension and termination options are included in a number of leases that the Corporation is party to. These terms are used to optimize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Corporation and not by the respective lessors. As at April 28, 2024, potential future annual undiscounted cash outflows of $137.8 have not been included in the lease liabilities for which the contractual maturities are in less than five years because it is not reasonably certain that renewal options on those leases will be exercised.

As at April 28, 2024, future undiscounted cash outflows of $134.1 have not been included in the lease liabilities because they are related to leases not yet commenced but to which the Corporation is committed.

Information about leases for which the Corporation is a lessor is presented below:

As at April 28, 2024, the Corporation leases mainly properties and motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions.

Amounts recognized in the consolidated statements of earnings

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Income relating to operating leases, excluding those variable lease payments that do not depend on an index or a rate	**34.2**	33.3
Income relating to variable lease payments that do not depend on an index or a rate	**21.7**	19.3
Rental income from subleasing right-of-use assets	**49.4**	44.4

As at April 28, 2024, the total amount of undiscounted future minimum operating leases payments expected to be received under operating lease and sublease agreements is $112.8. These minimum payments are expected to be received as follows:

	$
Less than one year	**35.3**
One to five years	**45.2**
More than five years	**32.3**
	112.8

As at April 28, 2024, the total amount of undiscounted future minimum payments expected to be received under net investment in finance subleases is $21.7. These minimum payments are expected to be received as follows:

	$
Less than one year	**6.4**
One to five years	**12.2**
More than five years	**3.1**
	21.7
Unearned finance income included in payments above	**(2.5)**
Net investment in subleases	**19.2**

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

18. GOODWILL AND INTANGIBLE ASSETS

Goodwill

	2024	2023 (adjusted, Note 2)
	$	$
Net book amount, beginning of year	**6,641.4**	6,094.1
Business acquisitions (Note 4)	**3,030.6**	652.2
Disposals	**(7.8)**	(5.7)
Effect of exchange rate variations	**(96.0)**	(99.2)
Net book amount, end of year	**9,568.2**	6,641.4

Intangible assets

	Trademarks and rights to use trademarks	Franchise agreements	Software[a]	Fuel supply agreements	Licenses	Other	Total
	$	$	$	$	$	$	$
2024 (52 weeks)							
Net book amount, beginning	**293.5**	**29.8**	**291.7**	**33.0**	**57.1**	**67.4**	**772.5**
Additions	**—**	**—**	**59.2**	**2.0**	**2.9**	**0.5**	**64.6**
Business acquisitions (Note 4)	**181.7**	**63.9**	**0.9**	**46.0**	**94.6**	**103.8**	**490.9**
Disposals	**—**	**(1.8)**	**(0.2)**	**(0.3)**	**—**	**—**	**(2.3)**
Depreciation, amortization and impairment expense	**(14.7)**	**(7.6)**	**(62.0)**	**(9.2)**	**(3.4)**	**(25.9)**	**(122.8)**
Effect of exchange rate variations	**(6.6)**	**(1.8)**	**(2.7)**	**(0.9)**	**(3.7)**	**(1.4)**	**(17.1)**
Net book amount, ending	**453.9**	**82.5**	**286.9**	**70.6**	**147.5**	**144.4**	**1,185.8**
As at April 28, 2024							
Cost	**510.0**	**190.4**	**600.8**	**123.2**	**154.0**	**260.3**	**1,838.7**
Accumulated depreciation and amortization	**(56.1)**	**(107.9)**	**(313.9)**	**(52.6)**	**(6.5)**	**(115.9)**	**(652.9)**
Net book amount	**453.9**	**82.5**	**286.9**	**70.6**	**147.5**	**144.4**	**1,185.8**
2023 (53 weeks) (adjusted, Note 2)							
Net book amount, beginning	249.3	38.1	253.5	14.9	53.9	77.8	687.5
Additions	—	—	101.2	—	3.3	—	104.5
Business acquisitions (Note 4)	49.9	—	0.1	22.5	—	6.1	78.6
Disposals	—	(0.3)	(3.7)	—	—	—	(4.0)
Depreciation and amortization expense	(1.1)	(6.5)	(42.1)	(3.4)	(0.1)	(16.0)	(69.2)
Effect of exchange rate variations	(4.6)	(1.5)	(17.3)	(1.0)	—	(0.5)	(24.9)
Net book amount, ending	293.5	29.8	291.7	33.0	57.1	67.4	772.5
As at April 30, 2023 (adjusted, Note 2)							
Cost	334.9	135.2	546.8	78.9	58.5	162.0	1,316.3
Accumulated depreciation and amortization	(41.4)	(105.4)	(255.1)	(45.9)	(1.4)	(94.6)	(543.8)
Net book amount	293.5	29.8	291.7	33.0	57.1	67.4	772.5

(a) The net book amount as at April 28, 2024 includes $66.0 related to software in progress ($115.3 as at April 30, 2023).

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Goodwill and intangible assets with indefinite useful lives are allocated to groups of CGUs (a CGU for the purpose of the remainder of this note) based on the geographical location of the acquired stores. Allocation as at April 28, 2024, and April 30, 2023, is as follows:

		2024		2023
CGU	**Intangible assets with indefinite useful lives**	**Goodwill**	Intangible assets with indefinite useful lives (adjusted, Note 2)	Goodwill (adjusted, Note 2)
	$	**$**	$	$
Canada	**—**	**871.6**	—	875.2
United States	**254.7**	**5,154.7**	252.8	4,960.2
Europe	**76.8**	**3,234.9**	77.4	499.6
Asia	**12.6**	**307.0**	12.5	306.4
	344.1	**9,568.2**	342.7	6,641.4

The intangible assets with indefinite useful lives for the United States CGU are the Circle K trademark, trademarks related to car wash operations and licenses, which are expected to provide economic benefits to the Corporation indefinitely. The intangible asset with indefinite useful life for the Europe CGU is the droplet logo, which is expected to provide economic benefits to the Corporation indefinitely. During the fiscal year ended April 28, 2024, the Scandinavia, Central and Eastern Europe and Ireland CGUs have been regrouped into the Europe CGU which now includes the activities of Belgium, Denmark, Estonia, Germany, Ireland, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland and Sweden. As a result, the comparatives figures from the fiscal year ended April 30, 2023 presented in the table above have been adjusted to reflect this change. The intangible assets with indefinite useful lives for the Asia CGU are the proprietary products trademarks, which are expected to provide economic benefits to the Corporation indefinitely. The Asia CGU includes the activities in the Hong Kong Special Administrative Region of the People's Republic of China (“Hong Kong SAR”).

For the annual impairment test, the recoverable amount of the Canada, United States, Europe and Asia CGUs is determined on the basis of their fair value less costs to sell. The Corporation uses an approach based on Earnings before interest, taxes, depreciation and amortization (“EBITDA”, which is a non-IFRS Accounting Standards Measures) multiples of comparable corporations (Level 3) ranging from 8.5x to 10.2x to determine these values. Subsequent to the annual impairment test and due to the timing of acquisitions, the goodwill of the United States and Europe CGUs have been retested for impairment using the same approach.

19. OTHER ASSETS

	2024	2023
	$	$
Pension benefit assets (Note 30)	**93.0**	74.6
Deferred compensation assets	**90.9**	70.8
Environmental costs receivable (Note 25)	**63.9**	62.7
Deferred incentive payments	**42.8**	37.8
Deposits	**30.3**	17.0
Net investment in subleases (Note 17)	**19.2**	27.9
Notes receivable	**13.8**	16.6
Other	**39.8**	23.1
	393.7	330.5

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

20. CURRENCY FORWARDS

During the fiscal year ended April 28, 2024, the Corporation was party to currency forward contracts with the following terms:

Receive - Notional	Pay - Notional	Exchange rate (Currency paid per currency received)	Maturity date	Fair value as at (Note 31) April 28, 2024	April 30, 2023
				$	$
$260.6[(a)]	CA $350.0	From 1.3391 to 1.3481	July 2024	**4.0**	—
€1,600.0[(b)]	$1,739.5	From 1.0739 to 1.1029	December 2023	**Settled**	41.9
€298.0[(b)]	$321.4	From 1.0749 to 1.0825	December 2023	**Settled**	—

(a) US dollar / Canadian dollar currency forwards

These currency forwards were entered into following the September 25, 2023 issuance of Canadian-dollar-denominated senior unsecured notes (Note 22) and in relation with the future repayment of the Canadian-dollar-denominated senior unsecured notes and associated cross-currency interest rate swaps maturing on July 26, 2024. The changes in fair value of these currency forwards are recognized in the consolidated statement of earnings under Foreign exchange (gain) loss. These currency forwards are presented as Other short-term financial assets on the consolidated balance sheet.

(b) Euro / US dollar currency forwards

For hedge accounting purposes, the Corporation designated these Euro / US dollar currency forwards as the hedge of more than one type of risk by notionally dividing them, with the Canadian dollar imputed as the base currency for two notional derivatives. The Euro / Canadian dollar notional derivatives were designated as a cashflow hedge of the Corporation's currency fluctuation risk associated with the firm and irrevocable offer to acquire certain European retail assets from TotalEnergies SE (Note 4) and the effective portion of the change in fair value of these currency forwards was recognized in OCI until the date of this business acquisition. The Canadian dollar / US dollar notional derivatives were designated as a foreign exchange hedge of the Corporation's net investment in its operations in the United States and the effective portion of the change in fair value of these notional currency forwards was recognized in OCI, counterbalancing gains and losses arising from the translation of the Corporation's related net investments. In relation with the closing of the acquisition of certain European retail assets from TotalEnergies SE, the currency forwards were settled, resulting in accumulated losses of $23.6 for the Euro / Canadian dollar notional derivatives and accumulated gains of $40.2 for the Canadian dollar / US dollar notional derivatives.

21. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023 (adjusted, Note 2)
	$	$
Accounts payable and accrued expenses[(a)]	**4,572.4**	3,183.2
Sales and excise taxes	**734.2**	702.5
Salaries and related benefits	**393.6**	388.3
Other	**287.7**	225.4
	5,987.9	4,499.4

(a) This amount is presented net of an amount of $69.7 from Credit and debit cards receivable from payment-processing providers (Note 14) and $58.1 from Trade accounts receivable, proprietary cards receivable and vendor rebates receivable (Note 14) due to netting arrangements ($88.3 and $45.1, respectively as at April 30, 2023).

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

22. DEBT

	2024	2023
	$	$
US-dollar-denominated senior unsecured notes, maturing from July 2027 to February 2054[a]	**5,459.5**	3,969.5
Euro-denominated senior unsecured notes, maturing from May 2026 to February 2036[a]	**2,240.2**	821.9
Canadian-dollar-denominated senior unsecured notes, maturing from July 2024 to September 2030[a]	**1,971.4**	1,025.2
Unsecured commercial paper notes, maturing from May to June 2024[b]	**551.3**	—
NOK-denominated senior unsecured notes, maturing in February 2026[a]	**61.2**	62.7
Other debts	**9.7**	9.7
	10,293.3	5,889.0
Short-term debt and current portion of long-term debt	**1,066.8**	0.7
Long-term portion of long-term debt	**9,226.5**	5,888.3

(a) Senior unsecured notes

As at April 28, 2024, the Corporation had senior unsecured notes denominated in US-dollar totaling $5,500.0, in Canadian-dollar totaling CA $2,700.0, in Euro totaling €2,100.0 and in Norwegian-krone totaling NOK 675.0, divided as follows:

Issuance date	Principal amount	Maturity	Coupon rate	Effective rate	Interest payment dates
July 26, 2017	CA $700.0	July 26, 2024	3.06%	3.13%	July 26th and January 26th
June 2, 2015	CA $700.0	June 2, 2025	3.60%	3.65%	June 2nd and December 2nd
February 18, 2016	NOK 675.0	February 18, 2026	3.85%	3.93%	April 20th and October 20th
May 6, 2016	€750.0	May 6, 2026	1.88%	1.94%	May 6th
July 26, 2017	$1,000.0	July 26, 2027	3.55%	3.64%	July 26th and January 26th
January 25, 2024	CA $500.0	January 25, 2029	4.60%	4.70%	July 25th and January 25th
January 22, 2020	$750.0	January 25, 2030	2.95%	3.03%	July 25th and January 25th
September 25, 2023	CA $800.0	September 25, 2030	5.59%	5.70%	March 25th and September 25th
February 12, 2024	€700.0	May 12, 2031	3.65%	3.68%	May 12th (1)
February 12, 2024	$900.0	February 12, 2034	5.27%	5.31%	August 12th and February 12th
February 12, 2024	€650.0	February 12, 2036	4.01%	4.03%	February 12th
May 13, 2021	$650.0	May 13, 2041	3.44%	3.50%	May 13th and November 13th
July 26, 2017	$500.0	July 26, 2047	4.50%	4.58%	July 26th and January 26th
January 22, 2020	$750.0	January 25, 2050	3.80%	3.88%	July 25th and January 25th
May 13, 2021 Green Bonds	$350.0	May 13, 2051	3.63%	3.69%	May 13th and November 13th
February 12, 2024	$600.0	February 12, 2054	5.62%	5.69%	August 12th and February 12th

(1) The first interest payments of the €700.0 Euro-denominated senior unsecured notes are due on May 12, 2025.

The Canadian-dollar-denominated notes issued on June 2, 2015, July 26, 2017 and January 25, 2024 are associated with cross-currency interest rate swaps (Note 24).

On September 25, 2023, the Corporation issued Canadian-dollar-denominated senior unsecured notes totaling CA $800.0. The $591.9 net proceeds from this issuance were used for corporate purposes as well as to invest an amount of CA $700.0 ($512.5 as at April 28, 2024) in term deposits with major financial institutions which meet the Corporation's minimum credit ratings requirements. The term deposits will mature on July 23, 2024, bear interest at a weighted average annual rate of 6.15%, and are classified in Other short-term financial assets on the consolidated balance sheet.

On January 25, 2024, the Corporation issued Canadian-dollar-denominated senior unsecured notes totaling CA $500.0. The $369.4 net proceeds from this issuance were used to partially repay outstanding indebtedness under the acquisition facility detailed below.

On February 12, 2024, the Corporation issued US-dollar-denominated senior unsecured notes totaling $1,500.0. The Corporation also issued Euro-denominated senior unsecured notes totaling €1,350.0. The $2,933.2 net proceeds from these issuances were used to repay outstanding indebtedness under the acquisition facility detailed below.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

(b) United States commercial paper program

On May 9, 2022, the Corporation established a commercial paper program in the United States on a private placement basis. The commercial paper program allows the Corporation to issue, at its discretion, unsecured commercial paper notes with maturities not exceeding 397 days. The aggregate principal amount of unsecured commercial paper notes outstanding at any given time cannot exceed $2,500.0 and the Corporation's term revolving unsecured operating credit facility serves as a liquidity backstop for the repayment of the unsecured commercial paper notes. As at April 28, 2024, the weighted average effective interest rate of the outstanding unsecured commercial paper notes was 5.59%.

Acquisition facility

On December 12, 2023, the Corporation entered into a new credit agreement consisting of a non-revolving credit facility of an aggregate maximum amount of $1,750.0 and €1,500.0 (the "acquisition facility"), divided into three tranches as follows:

	Principal amount	Maturity
Tranche A	$700.0 and €600.0	December 12, 2024
Tranche B	$525.0 and €450.0	December 12, 2025
Tranche C	$525.0 and €450.0	December 12, 2026

The acquisition facility was used and was available exclusively to finance the acquisition of certain European retail assets from TotalEnergies SE and the related acquisition costs (Note 4). The acquisition facility was available in US dollars and in Euro by way of loans bearing interest at the US base rate, SOFR or EURIBOR plus a variable margin. As at April 28, 2024, this acquisition facility was fully repaid.

Term revolving unsecured operating credit facility

As at April 28, 2024, the Corporation had a credit facility agreement, which was amended on May 21, 2024, consisting of a revolving unsecured facility of a maximum amount of $3,500.0, including a first tranche of $975.0 and a second tranche of $2,525.0, maturing in April 2026 and April 2028, respectively. Subsequent to the end of the fiscal year ended April 28, 2024, the maturity of the first and second tranches of the credit facility was extended to May 2027 and May 2029, respectively.

The first tranche of the credit facility was available in the following form:

- A term revolving unsecured operating credit facility, available i) in Canadian dollars, ii) in US dollars, and iii) in Euros. Depending on the form and the currency of the loan, the amounts borrowed bear interest at variable rates based on the Canadian prime rate, the bankers' acceptance rate (which was replaced by CORRA following the May 2024 amendments), the US base rate, the US prime rate, SOFR or EURIBOR plus a variable margin.

The second tranche of the credit facility was available in the following forms:

- A term revolving unsecured operating credit facility, available i) in Canadian dollars, ii) in US dollars, iii) in Euros, and iv) in the form of standby letters of credit not exceeding $150.0 or the equivalent in Canadian dollars, in Euros or in other currencies, if needed, with applicable fees. Depending on the form and the currency of the loan, the amounts borrowed bear interest at variable rates based on the Canadian prime rate, the bankers' acceptance rate (which was replaced by CORRA following the May 2024 amendments), the US base rate, the US prime rate, SOFR or EURIBOR plus a variable margin; and
- An unsecured line of credit in the maximum amount of $115.0, available in Canadian or US dollars, bearing interest at variable rates based on the Canadian prime rate, the US prime rate or the US base rate plus a variable margin, depending on the form and currency of the loan.

Standby fees, which vary based on the Corporation's credit rating, were applied to the unused portion of the credit facility. Letters of credit fees and the variable margin used to determine the interest rate applicable to borrowed amounts were determined according to the Corporation's credit rating as well. Under this credit facility agreement, the Corporation must maintain certain financial ratios and respect certain restrictive provisions.

As at April 28, 2024 and April 30, 2023, the term revolving unsecured operating credit facility was unused and the Corporation was in compliance with the restrictive provisions and ratios imposed by the credit agreement.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Bank overdraft facilities

As at April 28, 2024, the Corporation had access to bank overdraft facilities totaling approximately $111.6, of which $0.4 was used.

Letters of credit

As at April 28, 2024, the Corporation had outstanding letters of credit related to its own operations of $236.8 ($243.9 as at April 30, 2023), of which $2.8 ($2.9 as at April 30, 2023) reduced funds available under the Corporation's term revolving unsecured operating credit facility.

23. FORWARD STARTING INTEREST RATE SWAPS

During the fiscal year ended April 28, 2024, the Corporation was party to forward starting interest rate swaps with the following terms:

	Notional amount	Interest rate swaps terms	Rate	Maturity date	Fair value as at (Note 31)	
					April 28, 2024	April 30, 2023
					$	$
2022 issuance	$275.0	10 years	From 2.06% to 2.27%	June 2025	**42.7**	18.0
2022 issuance[(a)(b)]	$275.0	10 years	From 2.06% to 2.26%	July 2024	**Settled**	18.6
2023 issuance[(b)]	$625.0	From 7 to 30 years	From 2.79% to 3.14%	September 2024	**Settled**	(3.1)
2023 issuance[(b)]	€750.0	From 7 to 12 years	From 2.76% to 3.01%	September 2024	**Settled**	0.9

These instruments allowed the Corporation to hedge the variability of its interest payments on the anticipated issuance of senior unsecured notes due to changes in the US and Euro benchmark fixed rates. These instruments were designated as a cash flow hedge of the Corporation's interest rate risk.

(a) Reclassification adjustment

As a result of the September 25, 2023 issuance of Canadian-dollar-denominated senior unsecured notes (Note 22), the Corporation determined that an anticipated issuance of US-dollar-denominated senior unsecured notes, for which the proceeds were intended to be used for the repayment of the Canadian-dollar-denominated senior unsecured notes maturing in July 2024, was no longer expected to occur. The Corporation had designated these forward starting interest rate swaps as a cash flow hedge of its interest rate risk related to the variability of the interest payments on the anticipated issuance, which led to a pre-tax reclassification adjustment of $32.9 from OCI to Other financial items in the consolidated statement of earnings. Following the reclassification adjustment, the Corporation designated these forward starting interest rate swaps as a cash flow hedge of its interest rate risk related to the variability of the interest payments on the anticipated issuance of US-dollar-denominated senior unsecured notes, which occurred on February 12, 2024 (Note 22).

(b) Settlements

During the fiscal year ended April 28, 2024 and in relation with the issuances of US-dollar-denominated and Euro-denominated senior unsecured notes on February 12, 2024 (Note 22), the Corporation settled, prior to their maturity, these forward starting interest rate swaps for net proceeds of $50.7.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

24. INTEREST RATE AND CROSS-CURRENCY SWAPS

During the fiscal year ended April 28, 2024, the Corporation was party to cross-currency interest rate swap agreements, allowing it to synthetically convert its Canadian-dollar-denominated senior unsecured notes into US dollars and into Euros.

Receive – Notional	Receive – Rate	Pay – Notional	Pay – Rate	Maturity	Fair value as at (Note 31)	
					April 28, 2024	April 30, 2023
					$	$
CA $1,400.0	From 3.06% to 3.60%	US $1,127.2	From 3.23% to 3.87%	From July 26, 2024 to June 2, 2025	**(99.0)**	(90.7)
CA $500.0	4.60%	€341.4	3.58%	January 25, 2029	**(2.1)**	—

These agreements are designated as foreign exchange hedges of the Corporation's net investment in its operations in the United States and in the Eurozone.

25. PROVISIONS

The reconciliation of the Corporation's main provisions is as follows:

	Asset retirement obligations[(a)]	Provision for environmental costs[(b)]	Provision for workers' compensation[(c)]	Provision for general liability[(c)]	Other	Total
	$	**$**	**$**	**$**	**$**	**$**
2024 (52 weeks)						
Balance, beginning of year	**514.5**	**137.3**	**38.4**	**71.6**	**33.8**	**795.6**
Business acquisitions (Note 4)	**125.2**	**9.0**	**—**	**1.7**	**10.9**	**146.8**
Liabilities incurred	**5.9**	**33.6**	**35.8**	**36.3**	**3.4**	**115.0**
Liabilities settled	**(7.4)**	**(25.4)**	**(31.8)**	**(39.1)**	**(13.5)**	**(117.2)**
Accretion expense	**27.4**	**1.9**	**1.4**	**0.9**	**0.1**	**31.7**
Reversal of provisions	**(1.3)**	**(1.1)**	**—**	**—**	**(8.2)**	**(10.6)**
Change in estimates	**17.8**	**(4.4)**	**0.5**	**0.1**	**—**	**14.0**
Effect of exchange rate variations	**(9.9)**	**(1.2)**	**(0.1)**	**(0.1)**	**(0.5)**	**(11.8)**
Balance, end of year	**672.2**	**149.7**	**44.2**	**71.4**	**26.0**	**963.5**
Current portion	**63.7**	**50.4**	**6.7**	**14.2**	**8.6**	**143.6**
Long-term portion	**608.5**	**99.3**	**37.5**	**57.2**	**17.4**	**819.9**
2023 (53 weeks)						
Balance, beginning of year	435.2	142.8	49.8	61.8	32.1	721.7
Business acquisitions (Note 4)	3.2	—	—	—	—	3.2
Liabilities incurred	11.0	18.0	22.0	45.5	23.7	120.2
Liabilities settled	(8.7)	(23.0)	(29.9)	(36.4)	(18.7)	(116.7)
Accretion expense	16.5	1.3	0.8	0.3	—	18.9
Reversal of provisions	(4.8)	(1.8)	—	—	(2.7)	(9.3)
Change in estimates	76.7	4.1	(4.3)	0.5	—	77.0
Reclassified to liabilities associated with assets held for sale	(0.6)	—	—	—	—	(0.6)
Effect of exchange rate variations	(14.0)	(4.1)	—	(0.1)	(0.6)	(18.8)
Balance, end of year	514.5	137.3	38.4	71.6	33.8	795.6
Current portion	54.6	51.4	6.8	14.0	21.1	147.9
Long-term portion	459.9	85.9	31.6	57.6	12.7	647.7

(a) The total undiscounted amount of estimated cash flows to settle the asset retirement obligations is approximately $1,211.8 and is expected to be incurred over the next 40 years. Should changes occur in estimated future removal costs, tank useful lives, lease terms or governmental regulatory requirements, revisions to the liability could be made.
(b) Environmental costs should be disbursed over the next 20 years.
(c) Workers' compensation and general liability indemnities should be disbursed over the next five years.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Environmental costs

The Corporation is subject to Canadian, United States and European legislation governing the storage, handling and sale of road transportation fuel and other petroleum-based products. The Corporation considers that it is compliant with all important aspects of current environmental legislation. The Corporation has an ongoing training program for its employees on environmental issues and performs preventative site testing and site restoration in cooperation with regulatory authorities. The Corporation also examines its motor fuel equipment on a regular basis.

In most of the U.S. states in which the Corporation operates, with the exception of Alaska, California, Florida, Iowa, Maryland, New York, Oregon, Texas, Washington, West Virginia and Wisconsin, the Corporation participates in a state fund to cover the cost of certain environmental remediation activities after the applicable trust fund deductible is met, which varies by state. These state funds provide insurance for motor fuel facilities operations to cover some of the costs of cleaning up certain environmental contamination caused by the use of road transportation fuel equipment. Road transportation fuel storage tank registration fees and/or a motor fuel tax in each of the states finance the trust funds. The Corporation pays annual registration fees and remits sales taxes to applicable states. Insurance coverage differs from state to state.

In order to provide for the above-mentioned environmental costs, the Corporation has recorded a $149.7 provision for environmental costs as at April 28, 2024 ($137.3 as at April 30, 2023). Furthermore, the Corporation has recorded an amount of $71.7 for environmental costs receivable from trust funds as at April 28, 2024 ($70.9 as at April 30, 2023), of which $7.8 ($8.2 as at April 30, 2023) is included in Accounts receivable and $63.9 in Other assets ($62.7 as at April 30, 2023).

26. DEFERRED CREDITS AND OTHER LIABILITIES

	2024	2023
	$	$
Deferred compensation liabilities	**112.5**	92.3
Deposits from independent operators, franchisees, tenants and customers	**46.3**	28.0
Deferred credits	**18.4**	29.5
Deferred branding credits	**10.8**	7.2
Employee benefits	**7.0**	5.8
Other liabilities	**25.1**	19.3
	220.1	182.1

27. CAPITAL STOCK

Authorized

Unlimited number of shares without par value

- First and second preferred shares issuable in series, non-voting, ranking prior to other classes of shares with respect to dividends and payment of capital upon dissolution. The Board of Directors is authorized to determine the designation, rights, privileges, conditions and restrictions relating to each series of shares prior to their issuance.
- Common voting and participating shares, with each share comprising one vote.

The order of priority for the payment of dividends is as follows:
- First preferred shares;
- Second preferred shares; and
- Common shares.

On September 1, 2022, as a result of the adoption of a special resolution at the Corporation's Annual General and Special Meeting of Shareholders, all of the Corporation's issued and outstanding Class A multiple-voting shares were converted into Common shares, a newly created class of shares having an unlimited number of shares, carrying one vote per share. Following the conversion, the Corporation's Class A multiple-voting shares and Class B subordinate voting shares as well as their rights, privileges, restrictions and conditions were repealed and all stock-based compensation and other stock-based payment plans of the Corporation (Note 28) are covering Common shares.

Issued and outstanding

The changes in the number of shares are as follows:

	2024	2023
	(52 weeks)	(53 weeks)
Common shares (in millions)		
Balance, beginning of year	**981.3**	1,032.9
Share repurchases[(a)]	**(26.6)**	(52.0)
Issuance of shares on stock options exercised	**2.0**	0.4
Balance, end of year	**956.7**	981.3
Shares repurchased and not yet cancelled	**0.4**	—
Issued and outstanding	**957.1**	981.3

(a) Share repurchase program

On April 26, 2023, the Toronto Stock Exchange approved the renewal of the Corporation's share repurchase program, which took effect on May 1, 2023. The renewed share repurchase program allowed the Corporation to repurchase up to 49,066,629 shares, representing 5.0% of the shares outstanding as at April 20, 2023, and the share repurchase period ended April 30, 2024.

During the fiscal year ended April 28, 2024, the Corporation repurchased 26,618,337 shares (52,024,694 shares for the fiscal year ended April 30, 2023). These repurchases were settled for an amount of $1,374.0 ($2,335.8 for the fiscal year ended April 30, 2023), of which $24.6 is recorded in Accounts payable and accrued liabilities as at April 28, 2024 related to 433,300 shares which had been repurchased in the last two business days prior to April 28, 2024 and cancelled subsequent to year end.

On April 26, 2024, the Toronto Stock Exchange approved another renewal of the Corporation's share repurchase program, which took effect on May 1, 2024. The renewed share repurchase program allows the Corporation to repurchase up to 78,083,521 shares, representing 10.0% of the shares outstanding as at April 18, 2024, and the share repurchase period will end no later than April 30, 2025.

When making such repurchases, the number of shares in circulation is reduced and the proportionate interest of all remaining shareholders in the Corporation's share capital is increased on a pro rata basis. All shares repurchased under the share repurchase program were cancelled upon their repurchase. An automatic securities purchase plan, which was pre-cleared by the Toronto Stock Exchange, is also in place and could allow a designated broker to repurchase the Corporation's shares on its behalf within parameters established by the Corporation.

28. STOCK-BASED COMPENSATION AND OTHER STOCK-BASED PAYMENTS

Stock option plan

The Corporation has a stock option plan under which it has authorized the grant of up to 101,352,000 stock options for the purchase of its shares.

Stock options have up to a 10-year term, vest 20.0% on the date of the grant and cumulatively thereafter on each anniversary date of the grant and are exercisable at the designated market price on the date of the grant. The grant price of each stock option shall not be set below the weighted average closing price for a board lot of the shares on the Toronto Stock Exchange for the five days preceding the grant. Each stock option is exercisable into one share of the Corporation at the price specified in the terms of the stock option. To enable option holders to proceed with a cashless exercise of their options, the stock option plan allows them to elect to receive a number of shares equivalent to the difference between the total number of shares underlying the options exercised and the number of shares required to settle the exercise of the options on a gross or net basis.

The table below presents the status of the Corporation's stock option plan as at April 28, 2024, and April 30, 2023, and the changes therein during the years then ended:

		2024		2023
		(52 weeks)		(53 weeks)
(in thousands, except otherwise noted)	**Number of stock options**	**Weighted average exercise price**	Number of stock options	Weighted average exercise price
		CA $		CA $
Outstanding, beginning of year	**3,417.7**	**32.39**	3,423.7	27.50
Granted	**400.0**	**67.37**	425.7	56.61
Exercised	**(1,950.0)**	**24.85**	(421.4)	16.88
Forfeited	**(17.7)**	**59.11**	(10.3)	41.03
Outstanding, end of year	**1,850.0**	**47.59**	3,417.7	32.39
Exercisable, end of year	**1,221.0**	**41.98**	2,915.5	29.42

For options exercised in 2024, the weighted average share price at the date of exercise was CA $76.55 (CA $64.38 in 2023).

The following table presents information on the stock options outstanding and exercisable as at April 28, 2024:

(in thousands, except otherwise noted)	Options outstanding			Options exercisable	
Range of exercise prices	Number of stock options outstanding as at April 28, 2024	Weighted average remaining contractual life (years)	Weighted average exercise price	Number of stock options exercisable as at April 28, 2024	Weighted average exercise price
CA $			CA $		CA $
17 – 40	473.1	2.83	29.98	472.5	29.97
40 – 74	1,376.9	7.59	53.65	748.5	49.56
	1,850.0			1,221.0	

For 2024, the compensation cost charged to the consolidated statements of earnings amounts to $5.6 ($4.9 in 2023).

Deferred share unit plan

The Corporation has a DSU plan for the benefit of its external directors which allows them, at their option, to receive all or a portion of their annual compensation and directors' fee in the form of DSUs. Selected key employees are also allowed to receive part of their annual compensation in the form of DSUs. A DSU is a notional unit, equivalent in value to the Corporation's share. Upon leaving the Board of Directors or cessation of employment, participants are entitled to receive the payment of their cumulated DSUs in the form of cash based on the volume weighted average reported trading price of the Corporation's share on the Toronto Stock Exchange for the five trading days immediately preceding the payout date. DSU are antidilutive since they are payable solely in cash.

The DSU expense and the related liability are recorded at the grant date. The liability is adjusted periodically to reflect any variation in the market value of the Corporation's shares. As at April 28, 2024, the Corporation had a total of 838,492 DSUs outstanding (699,003 as at April 30, 2023) and an obligation related to this plan of $47.0 was recorded in Accounts payable and accrued liabilities ($33.6 as at April 30, 2023). The exposure to the Corporation's share price risk was managed with the share units total return swaps starting April 20, 2023 and with the share units indexed deposits beforehand (Note 31). For 2024, the compensation cost amounted to $9.4 ($7.6 for 2023).

Share unit plan

The Corporation has a share unit plan allowing the Board of Directors, through its Human Resources and Corporate Governance Committee, to grant performance share units ("PSUs") and restricted share units ("RSUs") to the officers and selected key employees of the Corporation (the "participants"). A share unit is a notional unit whose value is based on the volume weighted average reported trading price of the Corporation's share on the Toronto Stock Exchange for the five trading days immediately preceding the valuation date and provides the participants with the opportunity to earn a cash award. Each PSU granted vests at the end of a three-year performance period subject, namely, to the achievement of performance objectives of the Corporation, based on external and internal benchmarks. Each RSU granted vests at the end of a three-year restricted period. Share units are antidilutive since they are payable solely in cash.

The table below presents the status of the Corporation's share unit plan as at April 28, 2024, and April 30, 2023, and the changes therein during the years then ended in number of units:

(in thousands of units)	**2024 (52 weeks)**	2023 (53 weeks)
Outstanding, beginning of year	**1,327.4**	1,452.2
Granted	**418.6**	434.1
Paid	**(471.4)**	(438.6)
Forfeited	**(62.5)**	(120.3)
Outstanding, end of year	**1,212.1**	1,327.4

As at April 28, 2024, an obligation related to this notional unit allocation plan of $22.8 was recorded in Accounts payable and accrued liabilities ($19.0 as at April 30, 2023) and $21.9 was recorded in Deferred credits and other liabilities ($20.7 as at April 30, 2023). The price risk of this obligation was also managed with the share units total return swaps starting April 20, 2023 and with the share units indexed deposits beforehand (Note 31). For 2024, the compensation cost amounted to $15.9 ($15.8 for 2023).

29. ACCUMULATED OTHER COMPREHENSIVE LOSS

	Attributable to shareholders of the Corporation					
	Cumulative translation adjustments[a]	**Net investment hedge[a]**	**Cash flow hedge[a][c]**	**Cumulative net actuarial gain[b]**	**Investments in equity instruments measured at fair value through OCI[b]**	**Accumulated other comprehensive loss**
	$	**$**	**$**	**$**	**$**	**$**
2024 (52 weeks)						
Balance, beginning of year	**(764.4)**	**(341.6)**	**54.1**	**36.7**	**1.6**	**(1,013.6)**
Other comprehensive (loss) income	**(115.5)**	**0.8**	**(10.5)**	**18.9**	**8.2**	**(98.1)**
Other comprehensive loss attributable to non-controlling interests	**2.3**	**—**	**—**	**—**	**—**	**2.3**
Transfer of realized net gains on investments in equity instruments measured at fair value through OCI	**—**	**—**	**—**	**—**	**(9.8)**	**(9.8)**
Removal of accumulated losses on notional currency forwards (Note 4)	**—**	**—**	**23.6**	**—**	**—**	**23.6**
Balance, end of year	**(877.6)**	**(340.8)**	**67.2**	**55.6**	**—**	**(1,095.6)**
2023 (53 weeks)						
Balance, beginning of year	(522.5)	(292.4)	21.2	33.1	11.5	(749.1)
Other comprehensive (loss) income	(241.9)	(49.2)	32.9	3.6	(6.1)	(260.7)
Transfer of realized gains on investments in equity instruments measured at fair value through OCI	—	—	—	—	(3.8)	(3.8)
Balance, end of year	(764.4)	(341.6)	54.1	36.7	1.6	(1,013.6)

(a) May be reclassified subsequently to earnings.

(b) Will never be reclassified to earnings.

(c) For the fiscal year ended April 28, 2024, includes a reclassification adjustment of $28.5 (net of income taxes of $4.4) in relation with a forecasted transaction no longer expected to occur (Note 23).

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

30. EMPLOYEE FUTURE BENEFITS

The Corporation has a number of funded and unfunded defined benefit and defined contribution plans that provide retirement benefits to certain employees.

Defined benefit plans

The Corporation measures its accrued defined benefit obligation and the fair value of plan assets for accounting purposes on the last Sunday of April of each year.

The Corporation has defined benefit plans in Canada, the United States, Norway, Sweden, Ireland, Hong Kong SAR, Switzerland and Belgium in particular. Those plans provide benefits based on average earnings at retirement, or based on the years with the highest salaries and the number of years of service. The Corporation performs required actuarial valuations of its pension plans for funding purposes every one to three years.

Some plans include benefit adjustments in line with the consumer price index, whereas most of them do not provide such adjustments. The majority of the benefit payments are from trustee-administered funds. However, there is also a number of unfunded plans where the Corporation meets the benefit payment obligation as it falls due. Plan assets held in trusts are governed by local regulations and practice in each country, as is the nature of the relationship between the Corporation and the trustees and their composition. Responsibility for governance of the plans, investment decisions and contribution schedules lies jointly with the plan committees and the Corporation.

Reconciliation of the funded status of the benefit plans to the amount recorded in the consolidated financial statements:

	2024	2023
	$	$
Present value of defined benefit obligation for funded pension plans	**(91.7)**	(96.1)
Fair value of plans' assets	**184.4**	170.7
Net funded status of funded plans – net surplus	**92.7**	74.6
Present value of defined benefit obligation for unfunded pension plans	**(85.5)**	(85.1)
Net accrued pension benefit liability	**7.2**	(10.5)

As at April 28, 2024, the pension benefit asset of $92.7 ($74.6 as at April 30, 2023) is included in Other assets and the Pension benefit liability of $85.5 ($85.1 as at April 30, 2023) is presented separately in the consolidated balance sheets.

The defined benefit obligation and plan assets are composed by country as follows:

	Canada	**Norway**	**Sweden**	**Others**	**Total**
2024	**$**	**$**	**$**	**$**	**$**
Present value of defined benefit obligation	**(43.7)**	**(27.2)**	**(73.2)**	**(33.1)**	**(177.2)**
Fair value of plans' assets	**15.6**	**1.4**	**164.6**	**2.8**	**184.4**
Net funded status of plans – (deficit) surplus	**(28.1)**	**(25.8)**	**91.4**	**(30.3)**	**7.2**
2023					
Present value of defined benefit obligation	(46.0)	(29.8)	(79.9)	(25.5)	(181.2)
Fair value of plans' assets	17.1	1.7	151.9	—	170.7
Net funded status of plans – (deficit) surplus	(28.9)	(28.1)	72.0	(25.5)	(10.5)

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

As at the measurement date, the plans' assets consisted of:

	2024				2023			
	Quoted	**Unquoted**	**Total**	**Plans' assets allocation**	Quoted	Unquoted	Total	Plans' assets allocation
	$	**$**	**$**	**%**	$	$	$	%
Cash and cash equivalents	**0.2**	**0.1**	**0.3**	**0.2**	0.6	—	0.6	0.4
Equity securities	**116.3**	**—**	**116.3**	**63.1**	103.7	—	103.7	60.8
Debt instruments								
Government	**39.5**	**—**	**39.5**	**21.4**	46.5	—	46.5	27.2
Corporate	**26.5**	**0.2**	**26.7**	**14.5**	18.9	0.3	19.2	11.2
Real estate	**0.2**	**0.9**	**1.1**	**0.6**	0.2	0.2	0.4	0.2
Other assets	**0.2**	**0.3**	**0.5**	**0.2**	0.3	—	0.3	0.2
Total	**182.9**	**1.5**	**184.4**	**100.0**	170.2	0.5	170.7	100.0

The Corporation's service cost under its defined benefit plans, net of employee contributions and curtailment gains, for the fiscal year 2024 is $2.4 ($4.2 for 2023).

The amount recognized in OCI for the fiscal year is determined as follows:

	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Losses from changes in demographic assumptions	**0.8**	0.1
Gains from changes in financial assumptions	**(10.2)**	(20.6)
Losses from changes in experience adjustments assumptions	**1.7**	12.5
Return on assets (excluding interest income)	**(17.1)**	3.5
Changes in asset ceiling/onerous liability (excluding interest income)	**0.2**	—
Net gains recognized in OCI	**(24.6)**	(4.5)

The Corporation expects to make a contribution of $6.6 to the defined benefit plans during the next fiscal year.

The significant weighted average actuarial assumptions, which management considers the most likely to determine the accrued benefit obligations and the pension expense, are the following:

	2024				2023			
	Canada	**Norway**	**Sweden**	**Others**	Canada	Norway	Sweden	Others
	%	**%**	**%**	**%**	%	%	%	%
Discount rate	**5.2**	**3.8**	**3.8**	**3.8**	4.8	3.3	3.8	4.5
Rate of compensation increase	**3.8**	**3.5**	**2.8**	**2.7**	3.8	3.5	3.0	3.6
Rate of benefit increase	**2.1**	**2.6**	**1.8**	**1.6**	2.1	2.2	2.0	2.2
Rate of social security base amount increase (*G-amount*)	**—**	**3.5**	**2.8**	**—**	—	3.3	3.0	—

The Corporation uses mortality tables provided by regulatory authorities and actuarial associations in each country. The social security base amount (*G-amount*) is the expected increase of pensions paid from the state. In some European countries, the Corporation is responsible for the difference between what the pensioners receive from the state and the entitled pension based on their salary at the time of retirement. In determining the appropriate discount rate, the Corporation considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

The weighted average duration of the defined benefit obligation of the Corporation is 19 years.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The sensitivity of the defined benefit obligation to changes in the weighted principal actuarial assumptions is as follows:

	Change in assumption	Impact on obligation from an increase in the assumption	Impact on obligation from a decrease in the assumption
Discount rate	0.5 %	Decrease by 8.2%	Increase by 9.5%
Rate of compensation increase	0.5 %	Increase by 1.8%	Decrease by 1.7%
Rate of benefit increase	0.5 %	Increase by 6.5%	Decrease by 6.9%
Increase of life expectancy	1 year	Increase by 3.8%	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, because changes in some of the assumptions may be correlated. When calculating the above sensitivity analysis, the same method has been applied as when calculating the pension liability recognized in the consolidated balance sheets.

In Europe, it is the Corporation's responsibility to make contributions, where required, to the defined benefit plans. The Corporation contributes to these plans except when they are overcapitalized. For funded plans that are running a deficit, the Corporation makes payments based on the actuaries' recommendations and existing regulations. The Corporation is committed to making special payments in the coming years to eliminate the deficit. These contributions have limited impact on the Corporation's cash flows. The Corporation does not have a funded plan in the United States.

Defined contribution plans

The Corporation's total pension expense under its defined contribution plans and mandatory governmental plans for the fiscal year 2024 is $174.2 ($166.0 for 2023).

Deferred compensation plan – United States operations

The Corporation sponsors a deferred compensation plan that allows certain employees in its United States operations to defer up to 25.0% of their base salary and 100.0% of their cash bonuses for any given year. Interest accrued on the deferral and amounts due to the participants are generally payable on retirement, except in certain limited circumstances. Obligations under this plan amount to $90.6 as at April 28, 2024 ($71.6 as at April 30, 2023) and are included in Deferred credits and other liabilities. The assets of the plan are held in a trust and are subject to the claims of the Corporation's general creditors under federal and state laws in the event of insolvency, therefore, the trust qualifies as a Rabbi trust for income tax purposes. The plan's assets mainly consist of mutual funds and are classified as investments measured at fair value through earnings or loss. Assets under this plan amount to $89.8 as at April 28, 2024 ($70.8 as at April 30, 2023) and are included in Other assets (Note 19).

31. FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

Financial risk management objectives and policies

The Corporation's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, credit risk, liquidity risk and price risk. The Corporation uses cross-currency interest rate swaps and used Canadian dollar / US dollar notional currency forwards to hedge its foreign currency risk related to its net investments in some of its foreign operations. The Corporation also uses from time to time interest rate locks and/or forward starting interest rate swaps to hedge the interest rates on forecasted debt issuance, and fixed-to-floating interest rate swaps to hedge the interest rates associated with fixed interest rate debt.

The Corporation's risk management is predominantly controlled by its treasury department and its road transportation fuel and other fossil fuel supply group under policies approved by the Board of Directors. The groups that manage these risks identify, evaluate and hedge financial risks in close co-operation with the Corporation's operating units. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign currency risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, investment of excess liquidity and capital risk management.

Foreign currency risk

A large portion of the Corporation's consolidated revenues and expenses are received or denominated in the functional currency of the business units operating in the markets in which it does business. Accordingly, the Corporation's sensitivity to variations in foreign exchange rates is economically limited.

The Corporation is exposed to foreign currency risk with respect to its cash and cash equivalents denominated in currencies other than the respective functional currencies, debt denominated in US dollars, its Norwegian-krone and Euro-denominated senior unsecured notes, the cross-currency interest rate swaps and the currency forwards, a portion of which are designated as net investment hedges of its operations in the United States, Norway, Denmark and in the Eurozone. As the Corporation uses the US dollar as its reporting currency, part of these impacts is compensated by the translation of the Canadian-dollar consolidated financial statements into US dollars. For debts denominated in US dollars, Norwegian-krone and Euro and the cross-currency interest rate swaps which are designated as net investment hedges of foreign operations, as at April 28, 2024, a variation in those currencies would be offset by equivalent amounts from the hedged net investments in OCI. For the cash and cash equivalent denominated in currencies other than the respective functional currencies and the US dollar / Canadian dollar currency forwards, as at April 28, 2024, and with all other variables held constant, a hypothetical variation of 5.0% of the various currencies other than the respective functional currencies would have had a net impact of $30.1 on Net earnings, which would be partially offset by a net impact of $15.5 from the portion of its long-term debt denominated in US dollars not designated as net investment hedges of foreign operations.

Interest rate risk

The Corporation's fixed rate long-term debt is exposed to a risk of change in fair value due to changes in interest rates. As at April 28, 2024, the Corporation did not hold any derivative instruments to mitigate this risk but it enters from time to time into fixed-to-floating interest rate swaps in order to hedge a portion of the interest rate fair value risk associated with fixed interest rate debt.

The Corporation is exposed to a risk of change in cash flows due to changes in interest rates when its long-term debt includes variable rate balances or when there is a need to refinance commercial paper notes with the term revolving unsecured operating credit facility which serves as a liquidity backstop for their repayment. As at April 28, 2024, the Corporation did not hold any derivative instruments to mitigate this risk. The Corporation analyzes its cash flow exposure on an ongoing basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Corporation calculates the impact on net financial expenses of a defined interest rate shift. Based on variable rate long-term debt balances as at April 28, 2024 and April 30, 2023, the annual impact on net financial expenses of a 1.0% parallel shift in the interest rate curve would not have been significant.

The Corporation is exposed to a risk of change in cash flows due to changes in interest rates on future debt issuance. To mitigate this risk, the Corporation enters from time to time into interest rate locks and/or forward starting interest rate swaps in order to hedge the interest rates on forecasted debt issuance (Note 23). As at April 28, 2024, a 1.0% increase in the interest rate curve would have favorably impacted the fair value of the forward starting interest rate swaps by $17.2, while a 1.0% decrease in the interest rate curve would have unfavorably impacted the fair value of the forward starting interest rate swaps by $19.5.

Credit risk

The Corporation is exposed to credit risk with respect to cash and cash equivalents, trade accounts receivable, proprietary cards receivable and vendor rebates receivable, credit and debit cards receivable from payment-processing providers, term deposits, net investment in subleases, notes receivable, deposits, indexed deposits and derivative financial instruments when their fair value is favorable to the Corporation.

Key elements of the Corporation's credit risk management approach include credit risk policies, credit mandates, an internal credit assessment process, credit risk mitigation tools and continuous monitoring and management of credit exposures. Prior to entering into transactions with new counterparties, the Corporation's credit policy requires counterparties to be formally approved and assigned internal credit ratings as well as exposure limits. Once established, counterparties are reassessed according to policy and monitored on a regular basis. Counterparty risk assessments are based on a quantitative and qualitative analysis of recent financial statements, when available, and other relevant business information. In addition, the

Corporation evaluates any past payment performance, the counterparties' size and business diversification, and the inherent industry risk. The Corporation monitors outstanding balances and individual exposures against limits on a regular basis.

Credit risk related to trade accounts receivable, proprietary cards receivable and vendor rebates receivable and commodity indexed deposits is limited considering the nature of the Corporation's activities and measures taken to manage the credit risk of its counterparties. As at April 28, 2024, no single creditor accounted for over 10.0% of total Trade accounts receivable, proprietary cards receivable and vendor rebates receivable and the related amounts at risk corresponds to their carrying amount.

The Corporation mitigates the credit risk related to cash, cash equivalents, credit and debit cards receivable from payment-processing providers and term deposits by transacting solely with major financial institutions and payment-processing providers which meet the Corporation's minimum credit ratings requirements. As at April 28, 2024, the amounts at risk related to Cash and cash equivalents, Credit and debit cards receivable from payment-processing providers and term deposits corresponds to their carrying amount in addition to the credit risk exposure related to the Circle K / MasterCard credit cards as described below.

In some European markets, customers can settle their purchases at the Corporation's multiple points of sale or at any other merchants with a Circle K / MasterCard credit card. The Corporation has entered into agreements whereby the risks and rewards related to the credit cards, such as fee income, administration expenses and credit losses, are shared between the Corporation and the issuing banks. Outstanding balances are charged to the customer monthly. The Corporation's exposure as at April 28, 2024, relates to receivables of $93.0, of which $38.0 was interest-bearing. These receivables from cardholders are not recognized in the Corporation's consolidated balance sheet. For fiscal year 2024, the losses recognized were not significant. In light of accurate credit assessments and continuous monitoring of outstanding balances, the Corporation believes that the receivables do not represent any significant risk. The income and risks related to these arrangements with the banks are reported and accounted for on a monthly basis and settlements occur every four months.

The Corporation is exposed to credit risk arising from derivative financial instruments when their unsettled fair value is favorable to the Corporation. In accordance with its risk management policy, to reduce this risk, the Corporation has entered into these instruments with major financial institutions which meet the Corporation's minimum credit ratings requirements.

Liquidity risk

Liquidity risk is the risk that the Corporation would encounter difficulties in meeting its obligations associated with financial liabilities and lease liabilities. The Corporation is exposed to this risk mainly through its Long-term debt, United States commercial paper program, Accounts payable and accrued liabilities, lease liabilities and outflows associated with derivative financial instruments. The Corporation's liquidity is provided mainly by cash flows from operating activities and borrowings available under its credit facilities and United States commercial paper program.

On an ongoing basis, the Corporation monitors rolling forecasts of its liquidity reserve on the basis of expected cash flows taking into account operating needs, the tax situation and capital requirements and ensures that it has sufficient flexibility under its available liquidity resources to meet its obligations.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The contractual maturities of financial liabilities and their related interest as at April 28, 2024, are as follows:

	Carrying amount	Contractual cash flows	Less than one year	Between one and two years	Between two and five years	More than five years
	$	$	$	$	$	$
Non-derivative financial liabilities[1]						
Accounts payable and accrued liabilities[2]	**5,123.3**	**5,123.3**	**5,123.3**	**—**	**—**	**—**
US-dollar-denominated senior unsecured notes	5,459.5	9,252.0	224.8	224.8	1,621.1	7,181.3
Canadian-dollar-denominated senior unsecured notes	1,971.4	2,309.6	588.4	571.4	514.9	634.9
Euro-denominated senior unsecured notes	2,240.2	2,828.5	43.0	90.7	984.5	1,710.3
NOK-denominated senior unsecured notes	61.2	66.0	2.4	63.6	—	—
Unsecured commercial paper notes	551.3	552.6	552.6	—	—	—
Other debts	9.7	11.2	0.9	0.8	2.6	6.9
Long-term debt	**10,293.3**	**15,019.9**	**1,412.1**	**951.3**	**3,123.1**	**9,533.4**
Lease liabilities - Current contractual maturities		3,341.1	635.7	529.9	1,010.7	1,164.8
Lease liabilities - Future renewal options		1,845.6	7.8	56.2	412.5	1,369.1
Lease liabilities	**4,178.4**	**5,186.7**	**643.5**	**586.1**	**1,423.2**	**2,533.9**
Redemption liability	**247.2**	**288.3**	**—**	**288.3**	**—**	**—**
Cross-currency interest rate swaps payable[1]	**101.1**	**1,600.5**	**601.5**	**593.9**	**405.1**	**—**
Cross-currency interest rate swaps receivable[1]		**(1,511.1)**	**(555.7)**	**(538.6)**	**(416.8)**	**—**
	19,943.3	**25,707.6**	**7,224.7**	**1,881.0**	**4,534.6**	**12,067.3**

(1) Based on spot rates, as at April 28, 2024, for balances for which the underlying currency differs from the Corporation's reporting currency and for balances bearing interest at variable rates.
(2) Excludes deferred credits as well as statutory accounts payable and accrued liabilities such as sales taxes, excise taxes and property taxes.

Price risk

The Corporation’s sales of refined oil products, which include road transportation fuel and energy for stationary engines, constitute a material share of its operating income. As a result, its business, financial position, results of operation and cash flows are affected by changes in the commodity prices of such products. The Corporation seeks to pass on any changes in purchase prices to its customers by adjusting sale prices to reflect changes in refined oil product prices. The time lag between a change in refined oil product prices and a change of prices of fuel sold by the Corporation can impact the operating income on sales of these products. From time to time, based on purchases timing and price risk assessments, the Corporation enters into commodity derivatives to reduce a portion of this risk for its sales and purchases of road transportation fuel, other fossil fuels and commodity indexed deposits. Hedge accounting was not applied for any of these derivatives.

The Corporation’s obligations related to its share units plan and DSU plan create a price risk as the recorded amounts of the related liabilities fluctuate in part with the fair value of the Corporation’s shares. To reduce this risk, the Corporation has entered into share units total return swaps with an investment grade financial institution with an underlying index representing the Corporation's shares. The share units total return swaps are recorded at fair market value on the consolidated balance sheet under Other short-term financial assets and Other long-term financial assets. As at April 28, 2024, the nominal of the share units total return swaps was 1,925,816 shares. The share units total return swaps are adjusted as needed to reflect new awards, adjustments, expected performance conditions and/or settlements of share units and DSUs. As at April 28, 2024, the impact to net earnings or Equity attributable to shareholders of the Corporation of a 5.0% shift in the value of the Corporation’s share price would not have been significant.

Maturities of derivative financial instruments

The table below presents the maturities of the notional principal or net quantity outstanding related to the Corporation's derivative financial instruments recognized on the consolidated balance sheets as at April 28, 2024:

	Less than one year	Between one and two years	Between two and five years
Cross-currency interest rate swaps (in millions of US dollars)	557.4	569.8	—
Cross-currency interest rate swaps (in millions of Euro)	—	—	341.4
Forward starting interest rate swaps (in millions of US dollars)	—	275.0	—
Currency forwards (in millions of Canadian dollars)	350.0	—	—
Fuel swaps - gasoline (in metric tons)(1)	26,300	—	—
Fuel futures - diesel (in metric tons)(1)	60,500	—	—
Fuel futures - gasoline (in millions of gallons)(1)	8.6	—	—

(1) As at April 28, 2024, the Corporation had a net short position in order to mitigate exposure to fuel prices.

Offsetting of derivative financial instruments

The following table presents information about derivative financial instruments that are set off and not set off on the consolidated balance sheets as at April 28, 2024 and April 30, 2023, and which are subject to a master netting agreement or a similar agreement:

	Gross amounts	Set off amounts	Net amounts presented on the consolidated balance sheets	Associated amounts not set off on the consolidated balance sheets(1)	Residual amounts not set off
	$	$	$	$	$
2024					
Assets					
Derivative financial instruments	**90.3**	**—**	**90.3**	**(17.0)**	**73.3**
Liabilities					
Derivative financial instruments	**(110.3)**	**—**	**(110.3)**	**17.0**	**(93.3)**
2023					
Assets					
Derivative financial instruments	145.7	(19.5)	126.2	(19.7)	106.5
Liabilities					
Derivative financial instruments	(114.1)	19.5	(94.6)	19.7	(74.9)

(1) Relate to derivative financial instruments subject to International Swaps and Derivatives Association's master netting agreements that do not meet the criteria for offsetting as they give a right to set off that is enforceable only in the event of default, insolvency or bankruptcy.

Fair value

The fair value of trade accounts receivable, proprietary cards receivable and vendor rebates receivable, credit and debit cards receivable from payment-processing providers, term deposits, secured loan granted to Fire & Flower (as at April 30, 2023, Note 6), accounts payable and accrued liabilities and outstanding unsecured commercial paper notes is comparable to their carrying amounts given their short maturity.

Fair value hierarchy

Fair value measurements are categorized in accordance with the following levels:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 but which are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs for the asset or liability which are not based on observable market data.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

The estimated fair value of each class of financial instruments, the methods and assumptions that were used to determine them and their fair value hierarchy are as follows:

Financial instruments at fair value on the consolidated balance sheets:

	Estimated fair value as at		Consolidated balance sheets classification	Methods and assumptions used	Fair value hierarchy
	April 28, 2024	April 30, 2023			
	$	$			
Share units total return swaps - Current	**18.5**	10.8	Other short-term financial assets	Fair market value of the Corporation's shares	Level 2
Share units total return swaps - Non-current	**22.9**	15.8	Other long-term financial assets		
Commodity indexed deposits	**22.0**	20.1	Other short-term financial assets	Market rates	Level 2
Currency forwards	**4.0**	41.9	Other short-term financial assets	Market rates	Level 2
Forward starting interest rate swaps	**42.7**	37.5	Other long-term financial assets	Market rates	Level 2
Forward starting interest rate swaps	**—**	(3.1)	Other long-term financial liabilities	Market rates	Level 2
Fuel swaps	**1.8**	19.7	Other short-term financial assets	Market rates	Level 2
Fuel swaps	**(9.0)**	—	Other short-term financial liabilities	Market rates	Level 2
Investments in equity instruments	**—**	30.0	Other long-term financial assets	Unadjusted quoted prices	Level 1
Investments in equity instruments	**70.9**	79.5	Other long-term financial assets	Latest transactions / Cessation of operations	Level 3
Investments in other financial assets	**10.1**	10.1	Other long-term financial assets	Latest transactions / Cessation of operations	Level 3
Cross-currency interest rate swaps	**(45.0)**	—	Other short-term financial liabilities	Market rates	Level 2
Cross-currency interest rate swaps	**(56.1)**	(90.7)	Other long-term financial liabilities	Market rates	Level 2
Other currency derivatives	**0.4**	0.5	Other short-term financial assets	Market rates	Level 2
Other currency derivatives	**(0.2)**	(0.8)	Other short-term financial liabilities	Market rates	Level 2
Unsecured convertible debentures and common share warrants	**—**	2.0	Other short-term financial assets	Longstaff-Schwartz / Monte Carlo / Black-Scholes	Level 3

The table below shows the amounts related to the investments in equity instruments (Level 3) and investments in other financial assets (Level 3) presented on the consolidated balance sheets:

	Estimated fair value	
	2024	2023
	(52 weeks)	(53 weeks)
	$	$
Balance, beginning of year	**89.6**	81.3
Purchases	**0.1**	34.1
Net loss recognized in Other financial items(1)	**(8.7)**	(25.8)
Balance, end of year	**81.0**	89.6

(1) For 2024, related to financial instruments still held by the Corporation as at April 28, 2024. For 2023, includes a loss of $4.1 related to financial instruments no longer held by the Corporation.

The valuations of these financial instruments were mainly based on prices for similar instruments stemming from larger private investments. Subsequently, in order to determine if any adjustments to their fair value is required, the Corporation performs an ongoing review of its investments. A number of factors are reviewed and monitored including, but not limited to, current operating performance of investees as well as changes in their respective market, economic and financing environment over time. As at April 28, 2024, following its review, the Corporation determined that sensitivity to unobservable inputs is not deemed to have a significant impact on the estimated fair value of those financial instruments given the limited impact of the few underlying assumptions used in their valuation.

During the fiscal year ended April 30, 2023, as a result of the cessation of operations of an investee in which the Corporation held convertible promissory notes, a pre-tax loss of $26.4 was recorded in Other financial items to bring the investment in other financial assets to its fair value.

The Corporation performs the valuation of its financial instruments required for financial reporting purposes, including Level 2 and Level 3 fair values. Changes in Level 2 and Level 3 fair values are analyzed at the end of each reporting period by the Corporation and reports explaining the reasons for the fair value movements are presented to the Corporation’s management.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

Financial instruments not at fair value on the consolidated balance sheets:

The table below presents the fair value, which is based on unadjusted quoted prices (Level 1) or on observable market data (Level 2), and the carrying value of the Corporation's senior unsecured notes which are not measured at fair value on the consolidated balance sheets:

	2024		2023	
	Carrying value	**Fair value**	Carrying value	Fair value
	$	**$**	$	$
US-dollar-denominated senior unsecured notes (Level 2)	**5,459.5**	**4,717.4**	3,969.5	3,309.2
Euro-denominated senior unsecured notes (Level 2)	**2,240.2**	**2,201.0**	821.9	777.4
Canadian-dollar-denominated senior unsecured notes (Level 1)	**1,971.4**	**1,980.3**	1,025.2	1,004.3
NOK-denominated senior unsecured notes (Level 2)	**61.2**	**59.4**	62.7	61.5

Capital management

The Corporation's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce its cost of capital. The Corporation's capital comprises Equity attributable to shareholders of the Corporation and the net interest-bearing debt which refers to Long-term debt, Short-term debt and current portion of long-term, as well as lease liabilities, net of Cash and cash equivalents.

In order to maintain or adjust its capital structure, the Corporation may issue new shares, repurchase its shares, dispose of assets to reduce debt or adjust the amount of dividends paid to shareholders (Notes 22 and 27).

As part of the management of its capital structure, the Corporation factors in the economic value of its stock option, share units and DSU plans (Note 28).

The Corporation monitors capital on the basis of the net interest-bearing debt to total capitalization ratio and also monitors its credit ratings as determined by third parties.

As at the consolidated balance sheets dates, the net interest-bearing debt to total capitalization ratio was as follows:

	2024	2023 (adjusted, Note 2)
	$	$
Short-term debt and current portion of long-term debt	**1,066.8**	0.7
Current portion of lease liabilities	**503.6**	438.1
Long-term debt	**9,226.5**	5,888.3
Leases liabilities	**3,674.8**	3,146.5
Interest-bearing debt	**14,471.7**	9,473.6
Less: Cash and cash equivalents	**(1,309.0)**	(834.2)
Net interest-bearing debt	**13,162.7**	8,639.4
Equity attributable to shareholders of the Corporation	**13,189.2**	12,564.5
Net interest-bearing debt	**13,162.7**	8,639.4
Total capitalization	**26,351.9**	21,203.9
Net interest-bearing debt to total capitalization ratio	**49.9%**	40.7%

Under its term revolving unsecured operating credit facility, the Corporation must meet the following ratios on a consolidated basis, adjusted for pro forma results related to the acquisition of certain European retail assets from TotalEnergies SE (Note 4):

- A leverage ratio, which is the ratio of Total debt less Cash and cash equivalents to EBITDA for the four most recent quarters; and
- An interest coverage ratio, which is the ratio of EBITDA for the four most recent quarters to the total interest paid in the same periods.

The Corporation monitors these ratios regularly and was in compliance with these covenants as at April 28, 2024, and April 30, 2023. The Corporation is not subject to any significant externally imposed capital requirements.

32. CONTRACTUAL OBLIGATIONS

Purchase commitments

The Corporation has entered into various property purchase agreements, as well as product purchase agreements, which require the Corporation to purchase minimum amounts or quantities of merchandise and road transportation fuel annually. Failure to satisfy the minimum purchase requirements could result in termination of the contracts, penalties for shortfall volumes, change in the pricing of the products, payments to the applicable providers of a predetermined percentage of the commitments and repayments of a portion of rebates received. Historically, the Corporation has generally exceeded such minimum requirements and does not expect that any potential failure to meet those in the foreseeable future could lead to the materialization of any of the outcomes described above.

33. CONTINGENCIES AND GUARANTEES

Contingencies

Various claims and legal proceedings have been initiated against the Corporation in the normal course of its operations. The Corporation has no reason to believe that the outcome of these matters could reasonably be expected to have a materially adverse impact on the Corporation’s financial position, results of operations or its ability to carry on any of its business activities.

Guarantees

The Corporation assigned a number of lease agreements for premises to third parties. Under some of these agreements, the Corporation retains a secondary responsibility to the landlord for payment of amounts under the lease agreements should the sub lessees, which assume primary responsibility, fail to pay. As at April 28, 2024, the total future lease payments under such agreements are approximately $19.8 and the fair value of the guarantee is not significant. Historically, the Corporation has not made any significant payments in connection with these contracts and do not expect to make any in the foreseeable future.

The Corporation also issues different forms of guarantees, including financial guarantee commitments under car rental agreements and on behalf of retailers in Sweden and Ireland. The maximum undiscounted future payments related to those guarantees total $16.4 and the carrying amount and fair value of the guarantee commitments recognized in the consolidated balance sheet as at April 28, 2024, were not significant.

(in millions of US dollars (Note 2), except share and stock option data, or unless otherwise noted)

34. SEGMENTED INFORMATION

The Corporation operates convenience stores in the United States, in Europe and Asia, which are presented together as Europe and other regions, and in Canada. It operates in one reportable segment, the sale of goods for immediate consumption, road transportation fuel and other products mainly through company-operated and franchised stores. The Corporation operates its convenience store chain under various banners, including Circle K, Couche-Tard, Holiday, and Ingo. Revenues from external customers mainly fall into three categories: merchandise and service, road transportation fuel and other.

Information on the principal revenue categories as well as geographic information is as follows:

				2024				2023 (adjusted, Note 2)
				(52 weeks)				(53 weeks)
	United States	**Europe and other regions**	**Canada**	**Total**	United States	Europe and other regions	Canada	Total
	$	**$**	**$**	**$**	$	$	$	$
External customer revenues[a]								
Merchandise and service	**12,334.5**	**2,750.3**	**2,451.1**	**17,535.9**	12,356.0	2,386.7	2,540.7	17,283.4
Road transportation fuel	**31,531.1**	**13,581.1**	**5,911.0**	**51,023.2**	35,232.1	11,837.7	6,342.6	53,412.4
Other	**45.6**	**622.9**	**35.9**	**704.4**	43.8	1,067.7	49.4	1,160.9
	43,911.2	**16,954.3**	**8,398.0**	**69,263.5**	47,631.9	15,292.1	8,932.7	71,856.7
External customer revenues less Cost of sales, excluding depreciation, amortization and impairment								
Merchandise and service	**4,192.6**	**1,079.3**	**833.5**	**6,105.4**	4,172.4	925.2	841.8	5,939.4
Road transportation fuel	**4,152.5**	**1,103.7**	**560.7**	**5,816.9**	4,375.6	1,034.4	546.6	5,956.6
Other	**39.0**	**106.5**	**30.1**	**175.6**	43.8	82.9	29.4	156.1
	8,384.1	**2,289.5**	**1,424.3**	**12,097.9**	8,591.8	2,042.5	1,417.8	12,052.1
Total long-term assets[a][b][c]	**16,939.7**	**9,000.6**	**2,911.1**	**28,851.4**	15,804.0	4,111.4	2,926.9	22,842.3

(a) Geographic areas are determined according to where the Corporation generates operating income (where the sale takes place) and according to the location of the long-term assets.

(b) Excluding financial instruments, deferred tax assets and post-employment benefit assets.

(c) Comparative figures as at April 30, 2023 were adjusted from $15,794.8 to $15,804.0 for the United States to reflect the finalization of the estimates of the fair value of assets acquired and liabilities assumed for the acquisition of True Blue Car Wash LLC.

35. DIVIDENDS

During its June 25, 2024 meeting, the Board of Directors declared a quarterly dividend of CA 17.5¢ per share for the fourth quarter of fiscal 2024 to shareholders on record as at July 5, 2024, and approved its payment effective July 19, 2024. This is an eligible dividend within the meaning of the *Income Tax Act* (Canada).