

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) contains important information about our business and our performance for the three and six months ended June 30, 2024, as well as forward-looking information (see "About Forward-Looking Information") about future periods. This MD&A should be read in conjunction with our Second Quarter 2024 Interim Condensed Consolidated Financial Statements (Second Quarter 2024 Interim Financial Statements) and notes thereto, which have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (IASB); our 2023 Annual MD&A; our 2023 Annual Audited Consolidated Financial Statements and notes thereto, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB; and our other recent filings with Canadian and US securities regulatory authorities, including our Annual Information Form, which are available on SEDAR+ at sedarplus.ca or EDGAR at sec.gov, respectively.

For more information about Rogers, including product and service offerings, competitive market and industry trends, our overarching strategy, key performance drivers, and objectives, see "Understanding Our Business", "Our Strategy, Key Performance Drivers, and Strategic Highlights", and "Capability to Deliver Results" in our 2023 Annual MD&A. References in this MD&A to the Shaw Transaction are to our acquisition of Shaw Communications Inc. (Shaw) on April 3, 2023. For additional details regarding the Shaw Transaction, see "Shaw Transaction" in our 2023 Annual MD&A and our 2023 Annual Audited Consolidated Financial Statements.

We, us, our, Rogers, Rogers Communications, and the Company refer to Rogers Communications Inc. and its subsidiaries. *RCI* refers to the legal entity Rogers Communications Inc., not including its subsidiaries. Rogers also holds interests in various investments and ventures.

All dollar amounts in this MD&A are in Canadian dollars unless otherwise stated and are unaudited. All percentage changes are calculated using the rounded numbers as they appear in the tables. This MD&A is current as at July 23, 2024 and was approved by the Audit and Risk Committee of RCI's Board of Directors (the Board) on that date.

We are publicly traded on the Toronto Stock Exchange (TSX: RCI.A and RCI.B) and on the New York Stock Exchange (NYSE: RCI).

In this MD&A, *this quarter, the quarter, or second quarter* refer to the three months ended June 30, 2024, the *first quarter* refers to the three months ended March 31, 2024, and *year to date* refers to the six months ended June 30, 2024, unless the context indicates otherwise. All results commentary is compared to the equivalent period in 2023 or as at December 31, 2023, as applicable, unless otherwise indicated.

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Reportable segments

We report our results of operations in three reportable segments. Each segment and the nature of its business is as follows:

| Segment | Principal activities |
|----------------|--|
| Wireless | Wireless telecommunications operations for Canadian consumers and businesses. |
| Cable | Cable telecommunications operations, including Internet, television and other video (Video), Satellite, telephony (Home Phone), and home monitoring services for Canadian consumers and businesses, and network connectivity through our fibre network and data centre assets to support a range of voice, data, networking, hosting, and cloud-based services for the business, public sector, and carrier wholesale markets. |
| Media | A diversified portfolio of media properties, including sports media and entertainment, television and radio broadcasting, specialty channels, multi-platform shopping, and digital media. |

Wireless and Cable are operated by our wholly owned subsidiary, Rogers Communications Canada Inc. (RCCI), and certain other wholly owned subsidiaries. Media is operated by our wholly owned subsidiary, Rogers Media Inc., and its subsidiaries.

Where to find it

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Strategic Highlights

The five objectives set out below guide our work and decision-making as we further improve our operational execution and make well-timed investments to grow our core businesses and deliver increased shareholder value. Below are some highlights for the quarter.

Build the biggest and best networks in the country

- Started to deploy 3800 MHz spectrum licences, further expanding our 5G capabilities.
- Expanding 5G coverage to the remaining tunnels of Toronto's subway system.
- Announced the CableLabs North collaboration with CableLabs, a new research and development facility in Calgary.

Deliver easy to use, reliable products and services

- Signed landmark deals with Warner Bros. Discovery and NBCUniversal to acquire the most-watched lifestyle and entertainment content.
- Expanded our Self Protect service to customers across Western Canada.
- Launched Disney+ for eligible *Ignite TV* customers at no additional cost.

Be the first choice for Canadians

- Led the industry with 162,000 mobile phone net additions. In the last 10 quarters, we have added 1.7 million total mobile phone and Internet net additions.
- Announced a milestone agreement with Amazon to broadcast Monday night NHL hockey on Prime Video.
- Announced a ten-year agreement with Comcast to bring their world-class Xfinity products and technology to Canadians.

Be a strong national company investing in Canada

- Invested \$1 billion in capital expenditures, the majority in our wireless and wireline networks.
- Released our 2023 economic impact assessment showing Rogers supported 92,000 jobs and contributed \$14 billion to GDP.
- Completed the final phase of the Rogers Centre renovations.

Be the growth leader in our industry

- Grew total service revenue by 1% and adjusted EBITDA by 6%.
- Reported industry-leading growth in our Wireless operations.
- Generated free cash flow¹ of \$666 million, up 40%, and cash flow from operating activities of \$1,472 million.

Quarterly Financial Highlights

Revenue

Total revenue and total service revenue each increased by 1% this quarter, driven by revenue growth in our Wireless and Media businesses.

Wireless service revenue increased by 4% this quarter, primarily as a result of the cumulative impact of growth in our mobile phone subscriber base over the past year. Wireless equipment revenue decreased by 5%, primarily as a result of fewer device upgrades by existing customers.

¹ Free cash flow is a capital management measure. See "Non-GAAP and Other Financial Measures" for more information about this measure. This is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other companies.

Total Cable revenue and Cable service revenue decreased by 2% and 3%, respectively, this quarter as a result of continued competitive promotional activity and declines in our Home Phone and Satellite subscriber bases.

Media revenue increased by 7% this quarter as a result of higher sports-related revenue, primarily at the *Toronto Blue Jays*, partially offset by lower *Today's Shopping Choice* revenue.

Adjusted EBITDA and margins

Consolidated adjusted EBITDA increased 6% this quarter, and our adjusted EBITDA margin increased by 230 basis points, as a result of full realization of our synergy program associated with the Shaw Transaction over the course of the 12 months following its closing in addition to ongoing cost efficiencies.

Wireless adjusted EBITDA increased by 6%, primarily due to the flow-through impact of higher revenue as discussed above in conjunction with lower costs. This gave rise to an adjusted EBITDA margin of 65.2%.

Cable adjusted EBITDA increased by 9% due to the aforementioned synergy program and ongoing cost efficiencies. This gave rise to an adjusted EBITDA margin of 56.8%.

Media adjusted EBITDA decreased by \$4 million this quarter, primarily due to higher Toronto Blue Jays expenses, including players payroll and game day-related costs.

Net income and adjusted net income

Net income increased by \$285 million, or 261%, and adjusted net income increased by 15% this quarter, primarily as a result of higher adjusted EBITDA, partially offset by higher income tax expense. Net income was also higher due to lower restructuring, acquisition and other costs this year relative to the significant Shaw Transaction closing-related fees incurred in the second quarter of 2023.

Cash flow and available liquidity

This quarter, we generated cash provided by operating activities of \$1,472 million (2023 - \$1,635 million). The decrease is primarily a result of a greater investment in net operating assets and liabilities, partially offset by higher adjusted EBITDA. We generated free cash flow of \$666 million (2023 - \$476 million), up 40% as a result of higher adjusted EBITDA, lower capital expenditures, and lower interest on long-term debt.

As at June 30, 2024, we had \$4.3 billion of available liquidity² (December 31, 2023 - \$5.9 billion), consisting of \$0.45 billion in cash and cash equivalents and \$3.85 billion available under our bank and other credit facilities.

Our debt leverage ratio² as at June 30, 2024 was 4.7 (December 31, 2023 - 5.0, or 4.7 on an as adjusted basis to include trailing 12-month adjusted EBITDA of a combined Rogers and Shaw as if the Shaw Transaction had closed on January 1, 2023). See "Financial Condition" for more information.

We also returned \$266 million in dividends to shareholders this quarter and we declared a \$0.50 per share dividend on July 23, 2024.

² Available liquidity and debt leverage ratio are capital management measures. Pro forma debt leverage ratio is a non-GAAP ratio. Pro forma trailing 12-month adjusted EBITDA is a non-GAAP financial measure and is a component of pro forma debt leverage ratio. See "Non-GAAP and Other Financial Measures" for more information about these measures. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Financial Condition" for a reconciliation of available liquidity.

Summary of Consolidated Financial Results

| (In millions of dollars, except margins and per share amounts) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|---------|--------------------------|--------|---------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Revenue | | | | | | |
| Wireless | 2,466 | 2,424 | 2 | 4,994 | 4,770 | 5 |
| Cable | 1,964 | 2,013 | (2) | 3,923 | 3,030 | 29 |
| Media | 736 | 686 | 7 | 1,215 | 1,191 | 2 |
| Corporate items and intercompany eliminations | (73) | (77) | (5) | (138) | (110) | 25 |
| Revenue | 5,093 | 5,046 | 1 | 9,994 | 8,881 | 13 |
| Total service revenue ¹ | 4,599 | 4,534 | 1 | 8,956 | 7,848 | 14 |
| Adjusted EBITDA | | | | | | |
| Wireless | 1,296 | 1,222 | 6 | 2,580 | 2,401 | 7 |
| Cable | 1,116 | 1,026 | 9 | 2,216 | 1,583 | 40 |
| Media | – | 4 | (100) | (103) | (34) | n/m |
| Corporate items and intercompany eliminations | (87) | (62) | 40 | (154) | (109) | 41 |
| Adjusted EBITDA ² | 2,325 | 2,190 | 6 | 4,539 | 3,841 | 18 |
| Adjusted EBITDA margin ² | 45.7 % | 43.4 % | 2.3 pts | 45.4 % | 43.2 % | 2.2 pts |
| Net income | 394 | 109 | n/m | 650 | 620 | 5 |
| Basic earnings per share | \$0.74 | \$0.21 | n/m | \$1.22 | \$1.20 | 2 |
| Diluted earnings per share | \$0.73 | \$0.20 | n/m | \$1.20 | \$1.19 | 1 |
| Adjusted net income ² | 623 | 544 | 15 | 1,163 | 1,097 | 6 |
| Adjusted basic earnings per share ² | \$1.17 | \$1.03 | 14 | \$2.19 | \$2.12 | 3 |
| Adjusted diluted earnings per share ² | \$1.16 | \$1.02 | 14 | \$2.16 | \$2.11 | 2 |
| Capital expenditures | 999 | 1,079 | (7) | 2,057 | 1,971 | 4 |
| Cash provided by operating activities | 1,472 | 1,635 | (10) | 2,652 | 2,088 | 27 |
| Free cash flow | 666 | 476 | 40 | 1,252 | 846 | 48 |

n/m - not meaningful

¹ As defined. See "Key Performance Indicators".

² Adjusted EBITDA is a total of segments measure. Adjusted EBITDA margin is a supplementary financial measure. Adjusted basic and adjusted diluted earnings per share are non-GAAP ratios. Adjusted net income is a non-GAAP financial measure and is a component of adjusted basic and adjusted diluted earnings per share. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about these measures.

Results of our Reportable Segments

WIRELESS

Wireless Financial Results

| (In millions of dollars, except margins) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|---------|--------------------------|--------|---------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Revenue | | | | | | |
| Service revenue | 1,988 | 1,920 | 4 | 3,984 | 3,756 | 6 |
| Equipment revenue | 478 | 504 | (5) | 1,010 | 1,014 | – |
| Revenue | 2,466 | 2,424 | 2 | 4,994 | 4,770 | 5 |
| Operating costs | | | | | | |
| Cost of equipment | 492 | 501 | (2) | 1,031 | 1,009 | 2 |
| Other operating costs | 678 | 701 | (3) | 1,383 | 1,360 | 2 |
| Operating costs | 1,170 | 1,202 | (3) | 2,414 | 2,369 | 2 |
| Adjusted EBITDA | 1,296 | 1,222 | 6 | 2,580 | 2,401 | 7 |
| Adjusted EBITDA margin ¹ | 65.2 % | 63.6 % | 1.6 pts | 64.8 % | 63.9 % | 0.9 pts |
| Capital expenditures | 396 | 458 | (14) | 800 | 910 | (12) |

¹ Calculated using service revenue.

Wireless Subscriber Results ¹

| (In thousands, except churn and mobile phone ARPU) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|---------|------------|--------------------------|---------|------------|
| | 2024 | 2023 | Chg | 2024 | 2023 | Chg |
| Postpaid mobile phone ² | | | | | | |
| Gross additions | 451 | 430 | 21 | 894 | 748 | 146 |
| Net additions | 112 | 170 | (58) | 210 | 265 | (55) |
| Total postpaid mobile phone subscribers ³ | 10,598 | 10,107 | 491 | 10,598 | 10,107 | 491 |
| Churn (monthly) | 1.07 % | 0.87 % | 0.20 pts | 1.09 % | 0.83 % | 0.26 pts |
| Prepaid mobile phone ⁴ | | | | | | |
| Gross additions | 148 | 231 | (83) | 232 | 448 | (216) |
| Net additions (losses) | 50 | (5) | 55 | 13 | (13) | 26 |
| Total prepaid mobile phone subscribers ³ | 1,068 | 1,242 | (174) | 1,068 | 1,242 | (174) |
| Churn (monthly) | 3.20 % | 6.33 % | (3.13 pts) | 3.55 % | 6.14 % | (2.59 pts) |
| Mobile phone ARPU (monthly) ⁵ | \$57.24 | \$56.79 | \$0.45 | \$57.64 | \$57.17 | \$0.47 |

¹ Subscriber counts and subscriber churn are key performance indicators. See "Key Performance Indicators".

² Effective January 1, 2024, and on a prospective basis, we adjusted our postpaid mobile phone subscriber base to remove 110,000 Cityfone subscribers as we stopped selling new plans for this service as of that date. Given this, we believe this adjustment more meaningfully reflects the underlying organic subscriber performance of our postpaid mobile phone business.

³ As at end of period.

⁴ Effective January 1, 2024, and on a prospective basis, we adjusted our prepaid mobile phone subscriber base to remove 56,000 Fido prepaid subscribers as we stopped selling new plans for this service as of that date. Given this, we believe this adjustment more meaningfully reflects the underlying organic subscriber performance of our prepaid mobile phone business.

⁵ Mobile phone ARPU is a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

Service revenue

The 4% increase in service revenue this quarter and 6% increase year to date were primarily a result of the cumulative impact of growth in our mobile phone subscriber base over the past year. The year to date increase was also affected by the impact of the Shaw Mobile subscribers acquired through the Shaw Transaction in April 2023.

The increases in mobile phone ARPU this quarter and year to date were primarily associated with the changes in subscribers. We continue to see robust growth in net additions on our premium Rogers brand.

The continued significant postpaid gross and net additions this quarter and year to date were a result of sales execution in a growing Canadian market.

Equipment revenue

The 5% decrease in equipment revenue this quarter and marginal decrease year to date were primarily as a result of:

- fewer device upgrades by existing customers; partially offset by
- an increase in new subscribers purchasing devices; and
- a continued shift in the product mix towards higher-value devices.

Operating costs*Cost of equipment*

The 2% decrease in the cost of equipment this quarter and 2% increase year to date were a result of the equipment revenue changes discussed above.

Other operating costs

The 3% decrease in other operating costs this quarter was primarily a result of:

- lower costs associated with productivity and efficiency initiatives; partially offset by
- higher costs associated with our expanded network.

The 2% increase year to date was impacted by higher costs associated with our expanded network.

Adjusted EBITDA

The 6% increase in adjusted EBITDA this quarter and 7% increase year to date were a result of the revenue and expense changes discussed above.

CABLE

Cable Financial Results

| (In millions of dollars, except margins) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|---------|--------------------------|--------|---------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Revenue | | | | | | |
| Service revenue | 1,948 | 2,005 | (3) | 3,895 | 3,011 | 29 |
| Equipment revenue | 16 | 8 | 100 | 28 | 19 | 47 |
| Revenue | 1,964 | 2,013 | (2) | 3,923 | 3,030 | 29 |
| Operating costs | 848 | 987 | (14) | 1,707 | 1,447 | 18 |
| Adjusted EBITDA | 1,116 | 1,026 | 9 | 2,216 | 1,583 | 40 |
| Adjusted EBITDA margin | 56.8 % | 51.0 % | 5.8 pts | 56.5 % | 52.2 % | 4.3 pts |
| Capital expenditures | 509 | 538 | (5) | 989 | 857 | 15 |

Cable Subscriber Results ¹

| (In thousands, except ARPA and penetration) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|----------|-----------|--------------------------|----------|-----------|
| | 2024 | 2023 | Chg | 2024 | 2023 | Chg |
| Homes passed ² | 10,061 | 9,815 | 246 | 10,061 | 9,815 | 246 |
| Customer relationships | | | | | | |
| Net additions | 13 | 5 | 8 | 20 | 6 | 14 |
| Total customer relationships ² | 4,656 | 4,787 | (131) | 4,656 | 4,787 | (131) |
| ARPA (monthly) ³ | \$139.62 | \$139.68 | (\$0.06) | \$139.87 | \$142.18 | (\$2.31) |
| Penetration ² | 46.3 % | 48.8 % | (2.5 pts) | 46.3 % | 48.8 % | (2.5 pts) |
| Retail Internet | | | | | | |
| Net additions | 26 | 25 | 1 | 52 | 39 | 13 |
| Total retail Internet subscribers ² | 4,214 | 4,284 | (70) | 4,214 | 4,284 | (70) |
| Video | | | | | | |
| Net (losses) additions | (33) | 12 | (45) | (60) | 4 | (64) |
| Total Video subscribers ² | 2,691 | 2,732 | (41) | 2,691 | 2,732 | (41) |
| Home Monitoring | | | | | | |
| Net additions (losses) | 13 | (4) | 17 | 12 | (9) | 21 |
| Total Home Monitoring subscribers ² | 101 | 92 | 9 | 101 | 92 | 9 |
| Home Phone | | | | | | |
| Net losses | (31) | (29) | (2) | (66) | (42) | (24) |
| Total Home Phone subscribers ² | 1,563 | 1,684 | (121) | 1,563 | 1,684 | (121) |

¹ Subscriber results are key performance indicators. See "Key Performance Indicators".

² As at end of period.

³ ARPA is a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

Service revenue

The 3% decrease in service revenue this quarter was a result of:

- continued competitive promotional activity; and
- declines in our Home Phone and Satellite subscriber bases.

The 29% increase in service revenue year to date was primarily a result of the completion of the Shaw Transaction in April 2023, which contributed an incremental approximately \$1 billion in the first quarter, partially offset by the factors discussed above.

The lower ARPA this year was primarily a result of competitive promotional activity.

Operating costs

The 14% decrease in operating costs this quarter and 18% increase year to date were a result of the full realization of our synergy targets associated with the Shaw Transaction over the course of the year following closing, and ongoing cost efficiency initiatives. The year to date increase was also impacted by the completion of the Shaw Transaction in April 2023.

Adjusted EBITDA

The 9% increase in adjusted EBITDA this quarter and 40% increase year to date were a result of the service revenue and expense changes discussed above.

MEDIA

Media Financial Results

| (In millions of dollars, except margins) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|-------|-----------|--------------------------|--------|-----------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Revenue | 736 | 686 | 7 | 1,215 | 1,191 | 2 |
| Operating costs | 736 | 682 | 8 | 1,318 | 1,225 | 8 |
| Adjusted EBITDA | – | 4 | (100) | (103) | (34) | n/m |
| Adjusted EBITDA margin | – % | 0.6 % | (0.6 pts) | (8.5)% | (2.9)% | (5.6 pts) |
| Capital expenditures | 48 | 43 | 12 | 168 | 104 | 62 |

Revenue

The 7% increase in revenue this quarter and 2% increase year to date were a result of:

- higher sports-related revenue, primarily at the Toronto Blue Jays; partially offset by
- lower Today's Shopping Choice revenue.

Operating costs

The 8% increases in operating costs this quarter and year to date were a result of:

- higher Toronto Blue Jays expenses, including players payroll and game day-related costs; partially offset by
- lower Today's Shopping Choice costs in line with lower revenue.

Adjusted EBITDA

The decreases in adjusted EBITDA this quarter and year to date were a result of the revenue and expense changes discussed above.

CAPITAL EXPENDITURES

| (In millions of dollars, except capital intensity) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|-----------|--------------------------|--------|-----------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Wireless | 396 | 458 | (14) | 800 | 910 | (12) |
| Cable | 509 | 538 | (5) | 989 | 857 | 15 |
| Media | 48 | 43 | 12 | 168 | 104 | 62 |
| Corporate | 46 | 40 | 15 | 100 | 100 | – |
| Capital expenditures ¹ | 999 | 1,079 | (7) | 2,057 | 1,971 | 4 |
| Capital intensity ² | 19.6 % | 21.4 % | (1.8 pts) | 20.6 % | 22.2 % | (1.6 pts) |

¹ Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

² Capital intensity is a supplementary financial measure. See "Non-GAAP and Other Financial Measures" for an explanation as to the composition of this measure.

One of our objectives is to build the biggest and best networks in the country. As we continually work towards this, we once again plan to spend more on our wireless and wireline networks this year than we have in the past several years. We continue to roll out our 5G network (the largest 5G network in Canada as at June 30, 2024) across the country, as we work toward our commitment to expand coverage across Western Canada. We also continue to invest in fibre deployments, including fibre-to-the-home (FTTH), in our cable network and we are expanding our network footprint to reach more homes and businesses, including in rural, remote, and Indigenous communities.

These investments will strengthen network resilience and stability and will help us bridge the digital divide by expanding our network further into rural and underserved areas through participation in various programs and projects.

Wireless

The decreases in capital expenditures in Wireless this quarter and year to date were due to the timing of investments. We continue to make investments in our network development and 5G deployment to expand our wireless network. The ongoing deployment of 3500 MHz spectrum and the commencement of 3800 MHz spectrum deployment continue to augment the capacity and resilience of our earlier 5G deployments in the 600 MHz spectrum band.

Cable

The decrease in capital expenditures in Cable this quarter was due to timing of investments. The increase in capital expenditures year to date reflect our acquisition of Shaw. We continue to make investments in our infrastructure, including additional fibre deployments to increase our FTTH distribution. These investments incorporate the latest technologies to help deliver more bandwidth and an enhanced customer experience as we progress in our connected home roadmap, including service footprint expansion and upgrades to our DOCSIS 3.1 platform to evolve to DOCSIS 4.0, offering increased network resilience, stability, and faster download speeds over time.

Media

The increases in capital expenditures in Media this quarter and year to date were primarily a result of higher Toronto Blue Jays stadium infrastructure-related expenditures associated with the second phase of the Rogers Centre modernization project.

Capital intensity

Capital intensity decreased this quarter and year to date as a result of the revenue and capital expenditure changes discussed above.

Review of Consolidated Performance

This section discusses our consolidated net income and other income and expenses that do not form part of the segment discussions above.

| (In millions of dollars) | Three months ended June 30 | | | Six months ended June 30 | | |
|--------------------------------------|----------------------------|-------|-------|--------------------------|-------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Adjusted EBITDA | 2,325 | 2,190 | 6 | 4,539 | 3,841 | 18 |
| Deduct (add): | | | | | | |
| Depreciation and amortization | 1,136 | 1,158 | (2) | 2,285 | 1,789 | 28 |
| Restructuring, acquisition and other | 90 | 331 | (73) | 232 | 386 | (40) |
| Finance costs | 576 | 583 | (1) | 1,156 | 879 | 32 |
| Other (income) expense | (5) | (18) | (72) | 3 | (45) | n/m |
| Income tax expense | 134 | 27 | n/m | 213 | 212 | – |
| Net income | 394 | 109 | n/m | 650 | 620 | 5 |

Depreciation and amortization

| (In millions of dollars) | Three months ended June 30 | | | Six months ended June 30 | | |
|---|----------------------------|-------|-------|--------------------------|-------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Depreciation of property, plant and equipment | 902 | 911 | (1) | 1,808 | 1,468 | 23 |
| Depreciation of right-of-use assets | 97 | 104 | (7) | 207 | 172 | 20 |
| Amortization | 137 | 143 | (4) | 270 | 149 | 81 |
| Total depreciation and amortization | 1,136 | 1,158 | (2) | 2,285 | 1,789 | 28 |

The year to date increase in depreciation and amortization was primarily a result of the assets acquired through the Shaw Transaction.

Restructuring, acquisition and other

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|------|--------------------------|------|
| | 2024 | 2023 | 2024 | 2023 |
| Restructuring and other | 66 | 143 | 178 | 165 |
| Shaw Transaction-related costs | 24 | 188 | 54 | 221 |
| Total restructuring, acquisition and other | 90 | 331 | 232 | 386 |

The Shaw Transaction-related costs in 2023 and 2024 consisted of incremental costs supporting acquisition (in 2023) and integration activities (in 2023 and 2024) related to the Shaw Transaction. In the second quarter of 2023, these costs primarily reflected closing-related fees, the Shaw Transaction-related employee retention program, and the cost of the tangible benefits package related to the broadcasting portion of the Shaw Transaction.

The restructuring and other costs in 2023 and 2024 were primarily severance and other departure-related costs associated with the targeted restructuring of our employee base, which also included costs associated with voluntary departure programs in 2024. These costs also included costs related to real estate rationalization programs.

Finance costs

| (In millions of dollars) | Three months ended June 30 | | | Six months ended June 30 | | |
|---|----------------------------|-------|-------|--------------------------|-------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Total interest on borrowings ¹ | 512 | 522 | (2) | 1,020 | 915 | 11 |
| Interest earned on restricted cash and cash equivalents | – | (3) | (100) | – | (149) | (100) |
| Interest on borrowings, net | 512 | 519 | (1) | 1,020 | 766 | 33 |
| Interest on lease liabilities | 34 | 27 | 26 | 69 | 50 | 38 |
| Interest on post-employment benefits | – | (5) | (100) | (2) | (7) | (71) |
| Loss (gain) on foreign exchange | 30 | (141) | n/m | 139 | (127) | n/m |
| Change in fair value of derivative instruments | (24) | 144 | n/m | (122) | 133 | n/m |
| Capitalized interest | (10) | (9) | 11 | (22) | (17) | 29 |
| Deferred transaction costs and other | 34 | 48 | (29) | 74 | 81 | (9) |
| Total finance costs | 576 | 583 | (1) | 1,156 | 879 | 32 |

¹ Interest on borrowings includes interest on short-term borrowings and on long-term debt.

Interest on borrowings, net

The 33% increase in net interest on borrowings year to date was primarily a result of:

- a reduction in interest earned on restricted cash and cash equivalents, as we used these funds to partially fund the Shaw Transaction on April 3, 2023; and
- interest expense associated with the long-term debt assumed through the Shaw Transaction; partially offset by
- the repayment at maturity of senior notes in March 2023, October 2023, November 2023, January 2024, and March 2024 at different underlying interest rates; and
- lower interest expense associated with refinancing a significant portion of the borrowings under our term loan facility with senior notes issued in September 2023 and February 2024.

Income tax expense

| (In millions of dollars, except tax rates) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|--------|--------------------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| Statutory income tax rate | 26.2 % | 26.2 % | 26.2 % | 26.2 % |
| Income before income tax expense | 528 | 136 | 863 | 832 |
| Computed income tax expense | 138 | 36 | 226 | 218 |
| Increase (decrease) in income tax expense resulting from: | | | | |
| Non-(taxable) deductible stock-based compensation | (4) | (3) | (10) | 3 |
| Non-deductible (taxable) portion of equity losses (income) | 1 | – | 1 | (4) |
| Non-taxable income from security investments | – | (3) | – | (6) |
| Revaluation of deferred tax balances due to rate change | – | (3) | – | (3) |
| Other items | (1) | – | (4) | 4 |
| Total income tax expense | 134 | 27 | 213 | 212 |
| Effective income tax rate | 25.4 % | 19.9 % | 24.7 % | 25.5 % |
| Cash income taxes paid | 158 | 125 | 232 | 275 |

Cash income taxes paid increased this quarter and decreased year to date due to the timing of installment payments.

Net income

| (In millions of dollars, except per share amounts) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|-------|--------------------------|--------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Net income | 394 | 109 | n/m | 650 | 620 | 5 |
| Basic earnings per share | \$0.74 | \$0.21 | n/m | \$1.22 | \$1.20 | 2 |
| Diluted earnings per share | \$0.73 | \$0.20 | n/m | \$1.20 | \$1.19 | 1 |

Adjusted net income

We calculate adjusted net income from adjusted EBITDA as follows:

| (In millions of dollars, except per share amounts) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|--------|-------|--------------------------|--------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Adjusted EBITDA | 2,325 | 2,190 | 6 | 4,539 | 3,841 | 18 |
| Deduct: | | | | | | |
| Depreciation and amortization ¹ | 916 | 906 | 1 | 1,823 | 1,537 | 19 |
| Finance costs | 576 | 583 | (1) | 1,156 | 879 | 32 |
| Other income (expense) | (5) | (18) | (72) | 3 | (45) | n/m |
| Income tax expense ² | 215 | 175 | 23 | 394 | 373 | 6 |
| Adjusted net income ¹ | 623 | 544 | 15 | 1,163 | 1,097 | 6 |
| Adjusted basic earnings per share | \$1.17 | \$1.03 | 14 | \$2.19 | \$2.12 | 3 |
| Adjusted diluted earnings per share | \$1.16 | \$1.02 | 14 | \$2.16 | \$2.11 | 2 |

¹ Our calculation of adjusted net income excludes depreciation and amortization on the fair value increment recognized on acquisition of Shaw Transaction-related property, plant and equipment and intangible assets. For purposes of calculating adjusted net income, we believe the magnitude of this depreciation and amortization, which was significantly affected by the size of the Shaw Transaction, may have no correlation to our current and ongoing operating results and affects comparability between certain periods. Depreciation and amortization excludes depreciation and amortization on Shaw Transaction-related property, plant and equipment and intangible assets for the three and six months ended June 30, 2024 of \$220 million and \$462 million (2023 - \$252 million and \$252 million). Adjusted net income includes depreciation and amortization on the acquired Shaw property, plant and equipment and intangible assets based on Shaw's historical cost and depreciation policies.

² Income tax expense excludes recoveries of \$81 million and \$181 million (2023 - recoveries of \$148 million and \$161 million) for the three and six months ended June 30, 2024 related to the income tax impact for adjusted items.

Managing our Liquidity and Financial Resources

Operating, investing, and financing activities

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|----------|--------------------------|----------|
| | 2024 | 2023 | 2024 | 2023 |
| Cash provided by operating activities before changes in net operating assets and liabilities, income taxes paid, and interest paid | 2,224 | 1,988 | 4,322 | 3,618 |
| Change in net operating assets and liabilities | (120) | 261 | (409) | (443) |
| Income taxes paid | (158) | (125) | (232) | (275) |
| Interest paid, net | (474) | (489) | (1,029) | (812) |
| Cash provided by operating activities | 1,472 | 1,635 | 2,652 | 2,088 |
| Investing activities: | | | | |
| Capital expenditures | (999) | (1,079) | (2,057) | (1,971) |
| Additions to program rights | (10) | (12) | (23) | (37) |
| Changes in non-cash working capital related to capital expenditures and intangible assets | (48) | 9 | 39 | (29) |
| Acquisitions and other strategic transactions, net of cash acquired | (380) | (17,001) | (475) | (17,001) |
| Other | (1) | 3 | 12 | 12 |
| Cash used in investing activities | (1,438) | (18,080) | (2,504) | (19,026) |
| Financing activities: | | | | |
| Net (repayment of) proceeds received from short-term borrowings | (43) | (1,931) | 1,261 | (589) |
| Net (repayment) issuance of long-term debt | (18) | 5,788 | (1,126) | 5,400 |
| Net proceeds (payments) on settlement of debt derivatives and forward contracts | 24 | (106) | 22 | 121 |
| Transaction costs incurred | (4) | (1) | (46) | (265) |
| Principal payments of lease liabilities | (119) | (84) | (231) | (165) |
| Dividends paid | (182) | (252) | (372) | (505) |
| Other | (5) | – | (5) | – |
| Cash (used in) provided by financing activities | (347) | 3,414 | (497) | 3,997 |
| Change in cash and cash equivalents and restricted cash and cash equivalents | (313) | (13,031) | (349) | (12,941) |
| Cash and cash equivalents and restricted cash and cash equivalents, beginning of period | 764 | 13,390 | 800 | 13,300 |
| Cash and cash equivalents, end of period | 451 | 359 | 451 | 359 |

Operating activities

This quarter, cash provided by operating activities decreased primarily as a result of a greater investment in net operating assets and liabilities, partially offset by higher adjusted EBITDA. Cash provided by operating activities increased for the year to date as a result of higher adjusted EBITDA, partially offset by higher interest paid.

Investing activities

Capital expenditures

During the quarter and year to date, we incurred \$999 million and \$2,057 million, respectively, on capital expenditures before changes in non-cash working capital items. See "Capital Expenditures" for more information.

Acquisitions and other strategic transactions

This quarter, we paid the remaining \$380 million related to the acquisition of 3800 MHz spectrum licences. We recognized the spectrum licences as indefinite-life intangible assets.

Financing activities

During the quarter and year to date, we paid and received net amounts of \$41 million and \$111 million (2023 - received \$3,750 million and \$4,667 million), respectively, on our short-term borrowings, long-term debt, and related derivatives, including transaction costs. See "Financial Risk Management" for more information on the cash flows relating to our derivative instruments.

Short-term borrowings

Our short-term borrowings consist of amounts outstanding under our receivables securitization program, our US dollar-denominated commercial paper (US CP) program, and our non-revolving credit facilities. Below is a summary of our short-term borrowings as at June 30, 2024 and December 31, 2023.

| (In millions of dollars) | As at June 30 2024 | As at December 31 2023 |
|--|---------------------------------|------------------------------|
| Receivables securitization program | 2,400 | 1,600 |
| US commercial paper program (net of the discount on issuance) | 134 | 150 |
| Non-revolving credit facility borrowings (net of the discount on issuance) | 505 | – |
| Total short-term borrowings | 3,039 | 1,750 |

The tables below summarize the activity relating to our short-term borrowings for the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|--|-------------------------------------|------------------|---------------------|-----------------------------------|------------------|---------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Proceeds received from receivables securitization | | | – | | | 800 |
| Net proceeds received from receivables securitization | | | – | | | 800 |
| Proceeds received from US commercial paper | 443 | 1.366 | 605 | 1,282 | 1.354 | 1,736 |
| Repayment of US commercial paper | (656) | 1.369 | (898) | (1,305) | 1.359 | (1,774) |
| Net repayment of US commercial paper | | | (293) | | | (38) |
| Proceeds received from non-revolving credit facilities (US\$) ¹ | 369 | 1.366 | 504 | 554 | 1.359 | 753 |
| Repayment of non-revolving credit facilities (US\$) ¹ | (185) | 1.373 | (254) | (185) | 1.373 | (254) |
| Net proceeds received from non-revolving credit facilities | | | 250 | | | 499 |
| Net (repayment of) proceeds received from short-term borrowings | | | (43) | | | 1,261 |

¹ Borrowings under our non-revolving facility mature and are reissued regularly, such that until repaid, we maintain net outstanding borrowings equivalent to the then-current credit limit on the reissue dates.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2023 | | | Six months ended June 30, 2023 | | |
|---|-------------------------------------|------------------|---------------------|-----------------------------------|------------------|---------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Repayment of receivables securitization | | | (1,000) | | | (1,000) |
| Net repayment of receivables securitization | | | (1,000) | | | (1,000) |
| Proceeds received from US commercial paper | – | – | – | 1,174 | 1.362 | 1,599 |
| Repayment of US commercial paper | (687) | 1.345 | (924) | (1,341) | 1.348 | (1,807) |
| Net repayment of US commercial paper | | | (924) | | | (208) |
| Proceeds received from non-revolving credit facilities (Cdn\$) ¹ | | | – | | | 375 |
| Proceeds received from non-revolving credit facilities (US\$) | 460 | 1.357 | 624 | 1,198 | 1.349 | 1,616 |
| Total proceeds received from non-revolving credit facilities | | | 624 | | | 1,991 |
| Repayment of non-revolving credit facilities (Cdn\$) ¹ | | | (4) | | | (379) |
| Repayment of non-revolving credit facilities (US\$) | (465) | 1.348 | (627) | (738) | 1.346 | (993) |
| Total repayment of non-revolving credit facilities | | | (631) | | | (1,372) |
| Net (repayment of) proceeds received from non-revolving credit facilities | | | (7) | | | 619 |
| Net repayment of short-term borrowings | | | (1,931) | | | (589) |

¹ Borrowings under our non-revolving facility mature and are reissued regularly, such that until repaid, we maintain net outstanding borrowings equivalent to the then-current credit limit on the reissue dates.

Concurrent with our US CP issuances and US dollar-denominated borrowings under our credit facilities, we entered into debt derivatives to hedge the foreign currency risk associated with the principal and interest components of the borrowings. See "Financial Risk Management" for more information.

In March 2024, we borrowed US\$185 million under our non-revolving facility maturing in March 2025. In April 2024, we borrowed an additional US\$184 million under the facility. As a result, we have fully drawn on the facility.

The terms of our receivables securitization program are committed until its expiry, which we extended in June 2024 to an expiration date of June 28, 2027.

In April 2023, we repaid the outstanding \$200 million of borrowings under Shaw's legacy accounts receivable securitization program, subsequent to which the program was terminated. This repayment is included in "repayment of receivables securitization" above.

Long-term debt

Our long-term debt consists of amounts outstanding under our bank and letter of credit facilities and the senior notes, debentures, and subordinated notes we have issued. The tables below summarize the activity relating to our long-term debt for the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|---|-------------------------------------|------------------|---------------------|-----------------------------------|------------------|---------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Term loan facility net repayments (US\$) ¹ | (10) | n/m | (18) | (2,512) | 1.351 | (3,393) |
| Net repayments under term loan facility | | | (18) | | | (3,393) |
| Senior note issuances (US\$) | – | – | – | 2,500 | 1.347 | 3,367 |
| Senior note repayments (Cdn\$) | | | – | | | (1,100) |
| Net issuance of senior notes | | | – | | | 2,267 |
| Net repayment of long-term debt | | | (18) | | | (1,126) |

¹ Borrowings under our term loan facility mature and are reissued regularly, such that until repaid, we maintain net outstanding borrowings equivalent to the then-current credit limit on the reissue dates.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2023 | | | Six months ended June 30, 2023 | | |
|---|-------------------------------------|------------------|---------------------|-----------------------------------|------------------|---------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Credit facility borrowings (US\$) | – | – | – | 220 | 1.368 | 301 |
| Credit facility repayments (US\$) | (220) | 1.336 | (294) | (220) | 1.336 | (294) |
| Net (repayments) borrowings under credit facilities | | | (294) | | | 7 |
| Term loan facility net borrowings (US\$) ¹ | 4,506 | 1.350 | 6,082 | 4,506 | 1.350 | 6,082 |
| Net borrowings under term loan facility | | | 6,082 | | | 6,082 |
| Senior note repayments (US\$) | – | – | – | (500) | 1.378 | (689) |
| Net repayment of senior notes | | | – | | | (689) |
| Net issuance of long-term debt | | | 5,788 | | | 5,400 |

¹ Borrowings under our term loan facility mature and are reissued regularly, such that until repaid, we maintain net outstanding borrowings equivalent to the then-current credit limit on the reissue dates.

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|--------|--------------------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| Long-term debt net of transaction costs, beginning of period | 40,320 | 31,364 | 40,855 | 31,733 |
| Net (repayment) issuance of long-term debt | (18) | 5,788 | (1,126) | 5,400 |
| Long-term debt assumed through the Shaw Transaction | – | 4,526 | – | 4,526 |
| Loss (gain) on foreign exchange | 251 | (577) | 839 | (585) |
| Deferred transaction costs incurred | (3) | (1) | (53) | (4) |
| Amortization of deferred transaction costs | 35 | 36 | 70 | 66 |
| Long-term debt net of transaction costs, end of period | 40,585 | 41,136 | 40,585 | 41,136 |

In April 2024, we amended our revolving credit facility to extend the maturity date of the \$3 billion tranche to April 2029, from January 2028, and the \$1 billion tranche to April 2027, from January 2026.

In April 2023, we drew the maximum \$6 billion on the term loan facility upon closing the Shaw Transaction, consisting of \$2 billion from each of the three tranches. The three tranches mature on April 3, 2026, 2027, and 2028, respectively. During 2023, we repaid \$1.6 billion of the tranche maturing in 2027. In February 2024, we used the proceeds from our senior note issuances (see "Issuance of senior notes and related debt derivatives") to repay an additional \$3.4 billion of the facility such that only \$1 billion remains outstanding under the April 2026 tranche.

In April 2023, we also assumed \$4.55 billion principal amount of Shaw's senior notes upon closing the Shaw Transaction, of which \$500 million was subsequently repaid at maturity in November 2023 and \$500 million was repaid at maturity in January 2024.

Issuance of senior notes and related debt derivatives

Below is a summary of the senior notes we issued during the three and six months ended June 30, 2024. We did not issue any senior notes during the three and six months ended June 30, 2023.

| (In millions of dollars, except interest rates and discounts) | | | | | | | |
|---|----|------------------|----------|---------------|------------------------------|---|--|
| Date issued | | Principal amount | Due date | Interest rate | Discount/premium at issuance | Total gross proceeds ¹ (Cdn\$) | Transaction costs and discounts ² (Cdn\$) |
| <i>2024 issuances</i> | | | | | | | |
| February 9, 2024 | US | 1,250 | 2029 | 5.000 % | 99.714 % | 1,684 | 20 |
| February 9, 2024 | US | 1,250 | 2034 | 5.300 % | 99.119 % | 1,683 | 30 |

¹ Gross proceeds before transaction costs, discounts, and premiums.

² Transaction costs, discounts, and premiums are included as deferred transaction costs and discounts in the carrying value of the long-term debt, and recognized in net income using the effective interest method.

In February 2024, we issued senior notes with an aggregate principal amount of US\$2.5 billion, consisting of US\$1.25 billion of 5.00% senior notes due 2029 and US\$1.25 billion of 5.30% senior notes due 2034. Concurrent with the issuances, we entered into debt derivatives to convert all interest and principal payment obligations to Canadian dollars. As a result, we received net proceeds of US\$2.46 billion (\$3.32 billion).

Repayment of senior notes and related derivative settlements

In January 2024, we repaid the entire outstanding principal of our \$500 million 4.35% senior notes at maturity. In March 2024, we repaid the entire outstanding principal of our \$600 million 4.00% senior notes at maturity. There were no derivatives associated with these senior notes.

In March 2023, we repaid the entire outstanding principal amount of our US\$500 million 3.00% senior notes and the associated debt derivatives at maturity. As a result, we repaid \$515 million, including receipt of \$174 million received on settlement of the associated debt derivatives.

Dividends

Below is a summary of the dividends declared and paid on RCI's outstanding Class A Voting common shares (Class A Shares) and Class B Non-Voting common shares (Class B Non-Voting Shares) in 2024 and 2023. On July 23, 2024, a dividend was declared of \$0.50 per Class A Share and Class B Non-Voting Share to be paid on October 3, 2024 to shareholders of record on September 9, 2024.

| Declaration date | Record date | Payment date | Dividend per share (dollars) | Dividends paid (in millions of dollars) | | | Number of Class B Non-Voting Shares issued ¹ (in thousands) |
|------------------|-------------------|-----------------|------------------------------|---|------------------------------|------------|--|
| | | | | In cash | In Class B Non-Voting Shares | Total | |
| January 31, 2024 | March 11, 2024 | April 3, 2024 | 0.50 | 183 | 83 | 266 | 1,552 |
| April 23, 2024 | June 10, 2024 | July 5, 2024 | 0.50 | 185 | 81 | 266 | 1,651 |
| February 1, 2023 | March 10, 2023 | April 3, 2023 | 0.50 | 252 | – | 252 | – |
| April 25, 2023 | June 9, 2023 | July 5, 2023 | 0.50 | 264 | – | 264 | – |
| July 25, 2023 | September 8, 2023 | October 3, 2023 | 0.50 | 191 | 74 | 265 | 1,454 |
| November 8, 2023 | December 8, 2023 | January 2, 2024 | 0.50 | 190 | 75 | 265 | 1,244 |

¹ Class B Non-Voting Shares are issued as partial settlement of our quarterly dividend payable on the payment date under the terms of our dividend reinvestment plan.

Free cash flow

| (In millions of dollars) | Three months ended June 30 | | | Six months ended June 30 | | |
|--|----------------------------|-------|-------|--------------------------|-------|-------|
| | 2024 | 2023 | % Chg | 2024 | 2023 | % Chg |
| Adjusted EBITDA | 2,325 | 2,190 | 6 | 4,539 | 3,841 | 18 |
| Deduct: | | | | | | |
| Capital expenditures ¹ | 999 | 1,079 | (7) | 2,057 | 1,971 | 4 |
| Interest on borrowings, net and capitalized interest | 502 | 510 | (2) | 998 | 749 | 33 |
| Cash income taxes ² | 158 | 125 | 26 | 232 | 275 | (16) |
| Free cash flow | 666 | 476 | 40 | 1,252 | 846 | 48 |

¹ Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences, additions to right-of-use assets, or assets acquired through business combinations.

² Cash income taxes are net of refunds received.

The 40% increase in free cash flow this quarter was a result of higher adjusted EBITDA and lower capital expenditures. The 48% year to date increase was impacted by higher adjusted EBITDA, partially offset by higher interest on borrowings and higher capital expenditures.

Overview of Financial Position

Consolidated statements of financial position

| (In millions of dollars) | As at June 30 2024 | As at December 31 2023 | \$ Chg | % Chg | Explanation of significant changes |
|---|--------------------------|------------------------------|---------|-------|--|
| Assets | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | 451 | 800 | (349) | (44) | See "Managing our Liquidity and Financial Resources". |
| Accounts receivable | 4,853 | 4,996 | (143) | (3) | Reflects business seasonality. |
| Inventories | 512 | 456 | 56 | 12 | Primarily reflects a seasonal increase in Wireless handset inventories. |
| Current portion of contract assets | 185 | 163 | 22 | 13 | n/m |
| Other current assets | 849 | 1,202 | (353) | (29) | Primarily reflects lower non-operational receivable balances following collection. |
| Current portion of derivative instruments | 105 | 80 | 25 | 31 | Reflects the change in market values of certain debt derivatives and expenditure derivatives as a result of the depreciation of the Cdn\$ relative to the US\$. |
| Assets held for sale | 137 | 137 | – | – | n/m |
| Total current assets | 7,092 | 7,834 | (742) | (9) | |
| Property, plant and equipment | 24,691 | 24,332 | 359 | 1 | Reflects capital expenditures incurred, partially offset by depreciation expense related to our asset base. |
| Intangible assets | 18,098 | 17,896 | 202 | 1 | Reflects amortization expense related to the intangible assets acquired in the Shaw Transaction. |
| Investments | 605 | 598 | 7 | 1 | n/m |
| Derivative instruments | 821 | 571 | 250 | 44 | Reflects the change in market values of certain debt derivatives as a result of the depreciation of the Cdn\$ relative to the US\$. |
| Financing receivables | 1,006 | 1,101 | (95) | (9) | Reflects lower financing receivables as a result of fewer subscribers upgrading their devices. |
| Other long-term assets | 725 | 670 | 55 | 8 | n/m |
| Goodwill | 16,280 | 16,280 | – | – | n/m |
| Total assets | 69,318 | 69,282 | 36 | – | |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities: | | | | | |
| Short-term borrowings | 3,039 | 1,750 | 1,289 | 74 | See "Managing our Liquidity and Financial Resources". |
| Accounts payable and accrued liabilities | 3,631 | 4,221 | (590) | (14) | Reflects business seasonality. |
| Other current liabilities | 358 | 434 | (76) | (18) | Reflects the change in market values of certain debt derivatives as a result of the depreciation of the Cdn\$ relative to the US\$. |
| Contract liabilities | 749 | 773 | (24) | (3) | n/m |
| Current portion of long-term debt | 2,619 | 1,100 | 1,519 | 138 | Reflects the reclassification to current of our US\$1 billion senior notes due March 2025, partially offset by the repayment at maturity of our \$500 million and \$600 million senior notes in January 2024 and March 2024, respectively. |
| Current portion of lease liabilities | 560 | 504 | 56 | 11 | Reflects liabilities related to new leases. |
| Total current liabilities | 10,956 | 8,782 | 2,174 | 25 | |
| Provisions | 62 | 54 | 8 | 15 | n/m |
| Long-term debt | 37,966 | 39,755 | (1,789) | (5) | Reflects the partial repayment of our \$6 billion term loan facility and the reclassification of our US\$1 billion senior notes due March 2025 to current, partially offset by the issuance of US\$2.5 billion of senior notes in February 2024. |
| Lease liabilities | 2,159 | 2,089 | 70 | 3 | Reflects liabilities related to new leases. |
| Other long-term liabilities | 1,361 | 1,783 | (422) | (24) | Reflects the change in market values of debt derivatives as a result of the depreciation of the Cdn\$ relative to the US\$. |
| Deferred tax liabilities | 6,197 | 6,379 | (182) | (3) | Reflects the reversal of certain temporary taxable differences. |
| Total liabilities | 58,701 | 58,842 | (141) | – | |
| Shareholders' equity | 10,617 | 10,440 | 177 | 2 | Reflects changes in retained earnings and equity reserves. |
| Total liabilities and shareholders' equity | 69,318 | 69,282 | 36 | – | |

Financial Condition

Available liquidity

Below is a summary of our available liquidity from our cash and cash equivalents, bank credit facilities, letter of credit facilities, and short-term borrowings as at June 30, 2024 and December 31, 2023.

| As at June 30, 2024 (In millions of dollars) | Total sources | Drawn | Letters of credit | US CP program ¹ | Net available |
|---|---------------|--------------|-------------------|----------------------------|---------------|
| Cash and cash equivalents | 451 | – | – | – | 451 |
| Bank credit facilities ² : | | | | | |
| Revolving | 4,000 | – | 10 | 137 | 3,853 |
| Non-revolving | 500 | 500 | – | – | – |
| Outstanding letters of credit | 5 | – | 5 | – | – |
| Receivables securitization ² | 2,400 | 2,400 | – | – | – |
| Total | 7,356 | 2,900 | 15 | 137 | 4,304 |

¹ The US CP program amounts are gross of the discount on issuance.

² The total liquidity sources under our bank credit facilities and receivables securitization represents the total credit limits per the relevant agreements. The amount drawn and letters of credit are currently outstanding under those agreements. The US CP program amount represents our currently outstanding US CP borrowings that are backstopped by our revolving credit facility.

| As at December 31, 2023 (In millions of dollars) | Total sources | Drawn | Letters of credit | US CP program ¹ | Net available |
|---|---------------|--------------|-------------------|----------------------------|---------------|
| Cash and cash equivalents | 800 | – | – | – | 800 |
| Bank credit facilities ² : | | | | | |
| Revolving | 4,000 | – | 10 | 151 | 3,839 |
| Non-revolving | 500 | – | – | – | 500 |
| Outstanding letters of credit | 243 | – | 243 | – | – |
| Receivables securitization ² | 2,400 | 1,600 | – | – | 800 |
| Total | 7,943 | 1,600 | 253 | 151 | 5,939 |

¹ The US CP program amounts are gross of the discount on issuance.

² The total liquidity sources under our bank credit facilities and receivables securitization represents the total credit limits per the relevant agreements. The amount drawn and letters of credit are currently outstanding under those agreements. The US CP program amount represents our currently outstanding US CP borrowings that are backstopped by our revolving credit facility.

Our Canada Infrastructure Bank credit agreement is not included in available liquidity as it can only be drawn upon for use in broadband projects under the Universal Broadband Fund, and therefore is not available for other general purposes.

Weighted average cost of borrowings

Our weighted average cost of all borrowings was 4.74% as at June 30, 2024 (December 31, 2023 - 4.85%) and our weighted average term to maturity was 10.3 years (December 31, 2023 - 10.4 years). These figures reflect the expected repayment of our subordinated notes on the five-year anniversary.

Adjusted net debt and debt leverage ratio

We use adjusted net debt and debt leverage ratio to conduct valuation-related analysis and to make capital structure-related decisions.

| (In millions of dollars, except ratios) | As at June 30 2024 | As at December 31 2023 |
|--|---------------------------------|------------------------------|
| Current portion of long-term debt | 2,619 | 1,100 |
| Long-term debt | 37,966 | 39,755 |
| Deferred transaction costs and discounts | 1,023 | 1,040 |
| | 41,608 | 41,895 |
| Add (deduct): | | |
| Adjustment of US dollar-denominated debt to hedged rate | (1,640) | (808) |
| Subordinated notes adjustment ¹ | (1,514) | (1,496) |
| Short-term borrowings | 3,039 | 1,750 |
| Current portion of lease liabilities | 560 | 504 |
| Lease liabilities | 2,159 | 2,089 |
| Cash and cash equivalents | (451) | (800) |
| Adjusted net debt ² | 43,761 | 43,134 |
| Divided by: trailing 12-month adjusted EBITDA | 9,279 | 8,581 |
| Debt leverage ratio | 4.7 | 5.0 |
| Divided by: pro forma trailing 12-month adjusted EBITDA ² | n/a | 9,095 |
| Pro forma debt leverage ratio | n/a | 4.7 |

¹ For the purposes of calculating adjusted net debt and debt leverage ratio, we believe adjusting 50% of the value of our subordinated notes is appropriate as this methodology factors in certain circumstances with respect to priority for payment and this approach is commonly used to evaluate debt leverage by rating agencies.

² Adjusted net debt is a capital management measure. Pro forma trailing 12-month adjusted EBITDA is a non-GAAP financial measure and is a component of pro forma debt leverage ratio. These are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about these measures.

In order to meet our stated objective of returning our debt leverage ratio to approximately 3.5 within 36 months of closing the Shaw Transaction, we intend to manage our debt leverage ratio through combined operational synergies, organic growth in adjusted EBITDA, proceeds from asset sales, and debt repayment, as applicable.

Credit ratings

Below is a summary of the credit ratings on RCI's outstanding senior and subordinated notes and debentures (long-term) and US CP (short-term) as at June 30, 2024.

| Issuance | S&P Global Ratings Services | Moody's | Fitch | DBRS Morningstar |
|--|-----------------------------|---------------|------------------|--------------------|
| Corporate credit issuer default rating | BBB- (stable) | Baa3 (stable) | BBB- (stable) | BBB (low) (stable) |
| Senior unsecured debt | BBB- (stable) | Baa3 (stable) | BBB- (stable) | BBB (low) (stable) |
| Subordinated debt | BB (stable) | Ba2 (stable) | BB (stable) | N/A ¹ |
| US commercial paper | A-3 | P-3 | N/A ¹ | N/A ¹ |

¹ We have not sought a rating from Fitch or DBRS Morningstar for our short-term obligations or from DBRS Morningstar for our subordinated debt.

In February 2024, S&P improved their outlook for our corporate credit issuer default rating and our senior unsecured debt rating to stable from negative. At the same time, S&P also improved their outlook for our subordinated debt rating to stable from negative.

Outstanding common shares

| | As at June 30 | As at December 31 |
|---|--------------------|----------------------|
| | 2024 | 2023 |
| Common shares outstanding ¹ | | |
| Class A Voting Shares | 111,152,011 | 111,152,011 |
| Class B Non-Voting Shares | 421,664,224 | 418,868,891 |
| Total common shares | 532,816,235 | 530,020,902 |
| Options to purchase Class B Non-Voting Shares | | |
| Outstanding options | 10,587,278 | 10,593,645 |
| Outstanding options exercisable | 6,753,443 | 4,749,678 |

¹ Holders of Class B Non-Voting Shares are entitled to receive notice of and to attend shareholder meetings; however, they are not entitled to vote at these meetings except as required by law or stipulated by stock exchanges. If an offer is made to purchase outstanding Class A Shares, there is no requirement under applicable law or our constating documents that an offer be made for the outstanding Class B Non-Voting Shares, and there is no other protection available to shareholders under our constating documents. If an offer is made to purchase both classes of shares, the offer for the Class A Shares may be made on different terms than the offer to the holders of Class B Non-Voting Shares.

On April 3, 2023, we issued 23.6 million Class B Non-Voting Shares as partial consideration for the Shaw Transaction. We also issue Class B Non-Voting Shares as partial settlement of our quarterly dividends under the terms of our dividend reinvestment plan (see "Managing our Liquidity and Financial Resources" for more information).

Financial Risk Management

This section should be read in conjunction with "Financial Risk Management" in our 2023 Annual MD&A. We use derivative instruments to manage financial risks related to our business activities. We only use derivatives to manage risk and not for speculative purposes. We also manage our exposure to both fixed and fluctuating interest rates and had fixed the interest rate on 90.6% of our outstanding debt, including short-term borrowings, as at June 30, 2024 (December 31, 2023 - 85.6%).

Debt derivatives

We use cross-currency interest rate exchange agreements, forward cross-currency interest rate exchange agreements, and foreign currency forward contracts (collectively, debt derivatives) to manage risks from fluctuations in foreign exchange rates and interest rates associated with our US dollar-denominated senior notes, debentures, subordinated notes, lease liabilities, credit facility borrowings, and US CP borrowings. We typically designate the debt derivatives related to our senior notes, debentures, subordinated notes, and lease liabilities as hedges for accounting purposes against the foreign exchange risk or interest rate risk associated with specific issued and forecast debt instruments. Debt derivatives related to our credit facility and US CP borrowings have not been designated as hedges for accounting purposes.

Credit facilities and US CP

Below is a summary of the debt derivatives we entered into and settled related to our credit facility borrowings and US CP program during the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|---|-------------------------------------|------------------|---------------------|-----------------------------------|------------------|---------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| <i>Credit facilities</i> | | | | | | |
| Debt derivatives entered | 2,556 | 1.367 | 3,495 | 8,263 | 1.351 | 11,163 |
| Debt derivatives settled | 2,382 | 1.370 | 3,264 | 10,406 | 1.351 | 14,058 |
| Net cash received on settlement | | | 17 | | | 16 |
| <i>US commercial paper program</i> | | | | | | |
| Debt derivatives entered | 442 | 1.367 | 604 | 1,281 | 1.354 | 1,735 |
| Debt derivatives settled | 650 | 1.369 | 890 | 1,296 | 1.360 | 1,762 |
| Net cash received on settlement | | | 7 | | | 6 |
| <hr/> | | | | | | |
| (In millions of dollars, except exchange rates) | Three months ended June 30, 2023 | | | Six months ended June 30, 2023 | | |
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| <i>Credit facilities</i> | | | | | | |
| Debt derivatives entered | 13,839 | 1.343 | 18,580 | 14,797 | 1.343 | 19,873 |
| Debt derivatives settled | 9,558 | 1.339 | 12,795 | 9,831 | 1.339 | 13,161 |
| Net cash paid on settlement | | | (90) | | | (95) |
| <i>US commercial paper program</i> | | | | | | |
| Debt derivatives entered | – | – | – | 1,174 | 1.362 | 1,599 |
| Debt derivatives settled | 681 | 1.344 | 915 | 1,332 | 1.348 | 1,795 |
| Net cash paid on settlement | | | (16) | | | (18) |

As at June 30, 2024, we had US\$1,098 million and US\$98 million notional amount of debt derivatives outstanding relating to our credit facility borrowings and US CP program (December 31, 2023 - US\$3,241 million and US\$113 million), at an average rate of \$1.369/US\$ (December 31, 2023 - \$1.352/US\$) and \$1.368/US\$ (December 31, 2023 - \$1.369/US\$), respectively.

Senior notes

Below is a summary of the debt derivatives we entered into related to senior notes during the three and six months ended June 30, 2024. We did not enter into any debt derivatives related to senior notes issued during 2023.

| (In millions of dollars, except interest rates) | | | | Hedging effect | |
|---|----------------------------------|---------------|-------------|---|--------------------|
| Effective date | US\$ | | | Fixed hedged (Cdn\$) interest rate ¹ | Equivalent (Cdn\$) |
| | Principal/Notional amount (US\$) | Maturity date | Coupon rate | | |
| <i>2024 issuances</i> | | | | | |
| February 9, 2024 | 1,250 | 2029 | 5.000 % | 4.735 % | 1,684 |
| February 9, 2024 | 1,250 | 2034 | 5.300 % | 5.107 % | 1,683 |

¹ Converting from a fixed US\$ coupon rate to a weighted average Cdn\$ fixed rate.

As at June 30, 2024, we had US\$17,250 million (December 31, 2023 - US\$14,750 million) in US dollar-denominated senior notes, debentures, and subordinated notes, of which all of the associated foreign exchange risk had been hedged using debt derivatives, at an average rate of \$1.272/US\$ (December 31, 2023 - \$1.259/US\$).

In March 2023, we settled the derivatives associated with our US\$1 billion senior notes due 2025, which were not designated as hedges for accounting purposes. We subsequently entered into new derivatives associated with those senior notes, which we designated as hedges for accounting purposes. We received a net \$60 million relating to these transactions.

Lease liabilities

Below is a summary of the debt derivatives we entered into and settled related to our outstanding lease liabilities for the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|---|----------------------------------|---------------|------------------|--------------------------------|---------------|------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Debt derivatives entered | 78 | 1.359 | 106 | 155 | 1.355 | 210 |
| Debt derivatives settled | 53 | 1.321 | 70 | 101 | 1.317 | 133 |

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2023 | | | Six months ended June 30, 2023 | | |
|---|----------------------------------|---------------|------------------|--------------------------------|---------------|------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Debt derivatives entered | 51 | 1.314 | 67 | 86 | 1.337 | 115 |
| Debt derivatives settled | 33 | 1.273 | 42 | 66 | 1.303 | 86 |

As at June 30, 2024, we had US\$411 million notional amount of debt derivatives outstanding relating to our outstanding lease liabilities (December 31, 2023 - US\$357 million) with terms to maturity ranging from July 2024 to June 2027 (December 31, 2023 - January 2024 to December 2026) at an average rate of \$1.340/US\$ (December 31, 2023 - \$1.329/US\$).

See "Mark-to-market value" for more information about our debt derivatives.

Expenditure derivatives

We use foreign currency forward contracts (expenditure derivatives) to manage the foreign exchange risk in our operations, designating them as hedges for accounting purposes for certain of our forecast operational and capital expenditures.

Below is a summary of the expenditure derivatives we entered into and settled during the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2024 | | | Six months ended June 30, 2024 | | |
|---|----------------------------------|---------------|------------------|--------------------------------|---------------|------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Expenditure derivatives entered | 420 | 1.348 | 566 | 510 | 1.341 | 684 |
| Expenditure derivatives settled | 315 | 1.324 | 417 | 600 | 1.325 | 795 |

| (In millions of dollars, except exchange rates) | Three months ended June 30, 2023 | | | Six months ended June 30, 2023 | | |
|---|----------------------------------|---------------|------------------|--------------------------------|---------------|------------------|
| | Notional (US\$) | Exchange rate | Notional (Cdn\$) | Notional (US\$) | Exchange rate | Notional (Cdn\$) |
| Expenditure derivatives entered | 930 | 1.327 | 1,234 | 1,140 | 1.327 | 1,513 |
| Expenditure derivatives acquired | 212 | 1.330 | 282 | 212 | 1.330 | 282 |
| Expenditure derivatives settled | 315 | 1.260 | 397 | 540 | 1.254 | 677 |

As at June 30, 2024, we had US\$1,560 million notional amount of expenditure derivatives outstanding (December 31, 2023 - US\$1,650 million) with terms to maturity ranging from July 2024 to December 2025 (December 31, 2023 - January 2024 to December 2025) at an average rate of \$1.331/US\$ (December 31, 2023 - \$1.325/US\$).

See "Mark-to-market value" for more information about our expenditure derivatives.

Equity derivatives

We use total return swaps (equity derivatives) to hedge the market price appreciation risk of the Class B Non-Voting Shares granted under our stock-based compensation programs. The equity derivatives have not been designated as hedges for accounting purposes.

As at June 30, 2024, we had equity derivatives outstanding for 6.0 million (December 31, 2023 - 6.0 million) Class B Non-Voting Shares with a weighted average price of \$53.27 (December 31, 2023 - \$54.02).

In April 2024, we executed extension agreements for our equity derivative contracts under substantially the same commitment terms and conditions with revised expiry dates to April 2025 (from April 2024) and the weighted average cost was adjusted to \$53.27 per share.

In June 2023, we entered into 0.5 million equity derivatives with a weighted average price of \$58.14 as a result of the issuance of additional performance restricted share units in 2023.

See "Mark-to-market value" for more information about our equity derivatives.

Cash settlements on debt derivatives and forward contracts

Below is a summary of the net proceeds (payments) on settlement of debt derivatives and forward contracts during the three and six months ended June 30, 2024 and 2023.

| (In millions of dollars, except exchange rates) | Three months ended June 30 | | Six months ended June 30 | |
|---|----------------------------|-------|--------------------------|------|
| | 2024 | 2023 | 2024 | 2023 |
| Credit facilities | 17 | (90) | 16 | (95) |
| US commercial paper program | 7 | (16) | 6 | (18) |
| Senior and subordinated notes | – | – | – | 234 |
| Net proceeds (payments) on settlement of debt derivatives and forward contracts | 24 | (106) | 22 | 121 |

Mark-to-market value

We record our derivatives using an estimated credit-adjusted, mark-to-market valuation, calculated in accordance with IFRS.

| | As at June 30, 2024 | | | |
|--|------------------------|---------------|-------------------------|--------------------|
| (In millions of dollars, except exchange rates) | Notional amount (US\$) | Exchange rate | Notional amount (Cdn\$) | Fair value (Cdn\$) |
| Debt derivatives accounted for as cash flow hedges: | | | | |
| As assets | 7,815 | 1.2263 | 9,584 | 878 |
| As liabilities | 9,846 | 1.3113 | 12,911 | (652) |
| Debt derivatives not accounted for as hedges: | | | | |
| As assets | 282 | 1.3612 | 384 | 2 |
| As liabilities | 914 | 1.3714 | 1,253 | (2) |
| Net mark-to-market debt derivative asset | | | | 226 |
| Expenditure derivatives accounted for as cash flow hedges: | | | | |
| As assets | 1,500 | 1.3294 | 1,994 | 45 |
| As liabilities | 60 | 1.3635 | 82 | – |
| Net mark-to-market expenditure derivative asset | | | | 45 |
| Equity derivatives not accounted for as hedges: | | | | |
| As assets | – | – | 136 | 1 |
| As liabilities | – | – | 184 | (17) |
| Net mark-to-market equity derivative asset | | | | (16) |
| Net mark-to-market asset | | | | 255 |

| | As at December 31, 2023 | | | |
|--|-------------------------|---------------|-------------------------|--------------------|
| (In millions of dollars, except exchange rates) | Notional amount (US\$) | Exchange rate | Notional amount (Cdn\$) | Fair value (Cdn\$) |
| Debt derivatives accounted for as cash flow hedges: | | | | |
| As assets | 4,557 | 1.1583 | 5,278 | 599 |
| As liabilities | 10,550 | 1.3055 | 13,773 | (1,069) |
| Short-term debt derivatives not accounted for as hedges: | | | | |
| As liabilities | 3,354 | 1.3526 | 4,537 | (101) |
| Net mark-to-market debt derivative liability | | | | (571) |
| Expenditure derivatives accounted for as cash flow hedges: | | | | |
| As assets | 600 | 1.3147 | 789 | 4 |
| As liabilities | 1,050 | 1.3315 | 1,398 | (19) |
| Net mark-to-market expenditure derivative liability | | | | (15) |
| Equity derivatives not accounted for as hedges: | | | | |
| As assets | – | – | 324 | 48 |
| Net mark-to-market equity derivative asset | | | | 48 |
| Net mark-to-market liability | | | | (538) |

Commitments and Contractual Obligations

See our 2023 Annual MD&A for a summary of our obligations under firm contractual arrangements, including commitments for future payments under long-term debt arrangements and lease arrangements as at December 31, 2023. These are also discussed in notes 4, 19, and 30 of our 2023 Annual Audited Consolidated Financial Statements.

In the first quarter, we extended an agreement with a Cable service provider, resulting in an increase in our contractual commitments of approximately \$1.8 billion over the next ten years compared to our disclosure as at December 31, 2023. This quarter, we also signed new Media program rights agreements with the Edmonton Oilers, Calgary Flames, and Warner Bros. Discovery reflecting an increase in our contractual commitments of approximately \$1.9 billion over the next 12 years compared to our disclosure as at December 31, 2023.

Except for the above and as otherwise disclosed in this MD&A, as at June 30, 2024, there have been no other material changes to our material contractual obligations, as identified in our 2023 Annual MD&A, since December 31, 2023.

Regulatory Developments

See "Regulation in our Industry" in our 2023 Annual MD&A for a discussion of the significant regulations that affected our operations as at March 5, 2024.

3800 MHz spectrum licence acquisition

In November 2023, Innovation, Science and Economic Development Canada announced the results of the 3800 MHz spectrum licence auction that was held in October and November 2023. We were awarded 860 spectrum licences covering 172 regions across the country, including urban area, rural and Indigenous communities. We made payments for these licences in January 2024 for \$95 million and May 2024 for \$380 million. Upon acquisition in May 2024, we recognized the spectrum licences as indefinite-life intangible assets of \$480 million, including directly attributable costs.

Updates to Risks and Uncertainties

See "Risk Management" and "Regulation in our Industry" in our 2023 Annual MD&A for a discussion of the principal risks and uncertainties that could have a material adverse effect on our business and financial results as at March 5, 2024, which should be reviewed in conjunction with this MD&A. There are no updates to those risks and uncertainties.

Material Accounting Policies and Estimates

See our 2023 Annual MD&A and our 2023 Annual Audited Consolidated Financial Statements and notes thereto for a discussion of the accounting policies and estimates that are critical to the understanding of our business operations and the results of our operations.

New accounting pronouncements adopted in 2024

We adopted the following accounting amendments that were effective for our interim and annual consolidated financial statements commencing January 1, 2024. The adoption of these standards have not had a material impact on our financial results.

- Amendments to IAS 1, *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current*, clarifying the classification requirements in the standard for liabilities as current or non-current.
- Amendments to IFRS 16, *Leases - Lease Liability in a Sale and Leaseback*, clarifying subsequent measurement requirements for sale and leaseback transactions for seller-lessees.
- Amendments to IAS 1, *Presentation of Financial Statements - Non-current Liabilities with Covenants*, modifying the 2020 amendments to IAS 1 to further clarify the classification, presentation, and disclosure requirements in the standard for non-current liabilities with covenants.
- Amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*, adding disclosure requirements that require entities to provide qualitative and quantitative information about supplier finance arrangements.

Recent accounting pronouncements not yet adopted

The IASB has issued the following new standard that will become effective on January 1, 2027:

- IFRS 18, *Presentation and Disclosure in Financial Statements* (replacing IAS 1, *Presentation of Financial Statements*), with an aim to improve how information is communicated in the financial statements, with a focus on information in the statement of income.

We are assessing the impacts IFRS 18 will have on our consolidated financial statements.

Transactions with related parties

We have entered into business transactions with Dream Unlimited Corp. (Dream), which is controlled by our Director Michael J. Cooper. Dream is a real estate company that rents spaces in office and residential buildings. Total amounts paid to this related party were nominal for the three and six months ended June 30, 2024 and 2023.

We have also entered into certain transactions with our controlling shareholder and companies it controls. These transactions are subject to formal agreements approved by the Audit and Risk Committee. Total amounts paid to

these related parties generally reflect the charges to Rogers for occasional business use of aircraft, net of other administrative services, and were less than \$1 million for the three and six months ended June 30, 2024 and 2023.

On closing of the Shaw Transaction, we entered into an advisory agreement with Brad Shaw in accordance with the arrangement agreement, pursuant to which he will be paid \$20 million for a two-year period following closing in exchange for performing certain services related to the transition and integration of Shaw, of which \$3 million and \$5 million was recognized in net income and paid during the three and six months ended June 30, 2024, respectively. We have also entered into certain other transactions with the Shaw Family Group. Total amounts paid to the Shaw Family Group during the three and six months ended June 30, 2024 were under \$1 million.

In addition, we assumed a liability through the Shaw Transaction related to a legacy pension arrangement with one of our directors whereby the director will be paid \$1 million per month until March 2035, \$3 million and \$6 million of which was paid during the three and six months ended June 30, 2024, respectively. The remaining liability of \$95 million is included in "accounts payable and accrued liabilities" (for the amount to be paid within the next twelve months) or "other long-term liabilities".

We recognized these transactions at the amounts agreed to by the related parties, which were also approved by the Audit and Risk Committee. The amounts owing for these services were unsecured, interest-free, and generally due for payment in cash within one month of the date of the transaction.

Controls and procedures

There have been no changes in our internal controls over financial reporting this quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Seasonality

Our operating results generally vary from quarter to quarter as a result of changes in general economic conditions and seasonal fluctuations, among other things, in each of our reportable segments. This means our results in one quarter are not necessarily indicative of how we will perform in a future quarter. Wireless, Cable, and Media each have unique seasonal aspects to, and certain other historical trends in, their businesses. For specific discussions of the seasonal trends affecting our reportable segments, refer to our 2023 Annual MD&A.

Key Performance Indicators

We measure the success of our strategy using a number of key performance indicators that are defined and discussed in our 2023 Annual MD&A and this MD&A. We believe these key performance indicators allow us to appropriately measure our performance against our operating strategy and against the results of our peers and competitors. The following key performance indicators, some of which are supplementary financial measures (see "Non-GAAP and Other Financial Measures"), are not measurements in accordance with IFRS. They include:

- subscriber counts;
 - Wireless;
 - Cable; and
 - homes passed (Cable);
- Wireless subscriber churn (churn);
- Wireless mobile phone average revenue per user (ARPU);
- Cable average revenue per account (ARPA);
- Cable customer relationships;
- Cable market penetration (penetration);
- capital intensity; and
- total service revenue.

Non-GAAP and Other Financial Measures

We use the following "non-GAAP financial measures" and other "specified financial measures" (each within the meaning of applicable Canadian securities law). These are reviewed regularly by management and the Board in assessing our performance and making decisions regarding the ongoing operations of our business and its ability to generate cash flows. Some or all of these measures may also be used by investors, lending institutions, and credit rating agencies as indicators of our operating performance, of our ability to incur and service debt, and as measurements to value companies in the telecommunications sector. These are not standardized measures under IFRS, so may not be reliable ways to compare us to other companies.

| Non-GAAP financial measures | | | |
|---|---|---|--|
| <i>Specified financial measure</i> | <i>How it is useful</i> | <i>How we calculate it</i> | <i>Most directly comparable IFRS financial measure</i> |
| Adjusted net income | <ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted items, because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply that they are non-recurring. | Net (loss) income add (deduct) restructuring, acquisition and other; loss (recovery) on sale or wind down of investments; loss (gain) on disposition of property, plant and equipment; (gain) on acquisitions; loss on non-controlling interest purchase obligations; loss on repayment of long-term debt; loss on bond forward derivatives; depreciation and amortization on fair value increment of Shaw Transaction-related assets; and income tax adjustments on these items, including adjustments as a result of legislative or other tax rate changes. | Net (loss) income |
| Pro forma trailing 12-month adjusted EBITDA | <ul style="list-style-type: none"> To illustrate the results of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the applicable trailing 12-month period. | Trailing 12-month adjusted EBITDA add Acquired Shaw business adjusted EBITDA - January 2023 to March 2023 | Trailing 12-month adjusted EBITDA |

| Non-GAAP ratios | | |
|-------------------------------------|---|---|
| <i>Specified financial measure</i> | <i>How it is useful</i> | <i>How we calculate it</i> |
| Adjusted basic earnings per share | <ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted items, because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply that they are non-recurring. | Adjusted net income divided by basic weighted average shares outstanding. |
| Adjusted diluted earnings per share | | Adjusted net income including the dilutive effect of stock-based compensation divided by diluted weighted average shares outstanding. |
| Pro forma debt leverage ratio | <ul style="list-style-type: none"> We believe this helps investors and analysts analyze our ability to service our debt obligations, with the results of a combined Rogers and Shaw as if the Shaw Transaction had closed at the beginning of the applicable trailing 12-month period. | Adjusted net debt divided by pro forma trailing 12-month adjusted EBITDA |

| Total of segments measures | |
|------------------------------------|--|
| <i>Specified financial measure</i> | <i>Most directly comparable IFRS financial measure</i> |
| Adjusted EBITDA | Net income |

| Capital management measures | |
|------------------------------------|--|
| <i>Specified financial measure</i> | <i>How it is useful</i> |
| Free cash flow | <ul style="list-style-type: none"> To show how much cash we generate that is available to repay debt and reinvest in our company, which is an important indicator of our financial strength and performance. We believe that some investors and analysts use free cash flow to value a business and its underlying assets. |
| Adjusted net debt | <ul style="list-style-type: none"> We believe this helps investors and analysts analyze our debt and cash balances while taking into account the economic impact of debt derivatives on our US dollar-denominated debt. |
| Debt leverage ratio | <ul style="list-style-type: none"> We believe this helps investors and analysts analyze our ability to service our debt obligations. |
| Available liquidity | <ul style="list-style-type: none"> To help determine if we are able to meet all of our commitments, to execute our business plan, and to mitigate the risk of economic downturns. |

| Supplementary financial measures | |
|---|--|
| <i>Specified financial measure</i> | <i>How we calculate it</i> |
| Adjusted EBITDA margin | Adjusted EBITDA divided by revenue. |
| Wireless mobile phone average revenue per user (ARPU) | Wireless service revenue divided by average total number of Wireless mobile phone subscribers for the relevant period. |
| Cable average revenue per account (ARPA) | Cable service revenue divided by average total number of customer relationships for the relevant period. |
| Capital intensity | Capital expenditures divided by revenue. |

Reconciliation of adjusted EBITDA

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--------------------------------------|----------------------------|-------|--------------------------|-------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | 394 | 109 | 650 | 620 |
| Add: | | | | |
| Income tax expense | 134 | 27 | 213 | 212 |
| Finance costs | 576 | 583 | 1,156 | 879 |
| Depreciation and amortization | 1,136 | 1,158 | 2,285 | 1,789 |
| EBITDA | 2,240 | 1,877 | 4,304 | 3,500 |
| Add (deduct): | | | | |
| Other (income) expense | (5) | (18) | 3 | (45) |
| Restructuring, acquisition and other | 90 | 331 | 232 | 386 |
| Adjusted EBITDA | 2,325 | 2,190 | 4,539 | 3,841 |

Reconciliation of pro forma trailing 12-month adjusted EBITDA

| (In millions of dollars) | As at December 31 |
|---|-------------------|
| | 2023 |
| Trailing 12-month adjusted EBITDA - 12 months ended December 31, 2023 | 8,581 |
| Add (deduct): | |
| Acquired Shaw business adjusted EBITDA - January 2023 to March 2023 | 514 |
| Pro forma trailing 12-month adjusted EBITDA | 9,095 |

Reconciliation of adjusted net income

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|-------|--------------------------|-------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | 394 | 109 | 650 | 620 |
| Add (deduct): | | | | |
| Restructuring, acquisition and other | 90 | 331 | 232 | 386 |
| Depreciation and amortization on fair value increment of Shaw Transaction-related assets | 220 | 252 | 462 | 252 |
| Income tax impact of above items | (81) | (148) | (181) | (161) |
| Adjusted net income | 623 | 544 | 1,163 | 1,097 |

Reconciliation of free cash flow

| (In millions of dollars) | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|---------|--------------------------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| Cash provided by operating activities | 1,472 | 1,635 | 2,652 | 2,088 |
| Add (deduct): | | | | |
| Capital expenditures | (999) | (1,079) | (2,057) | (1,971) |
| Interest on borrowings, net and capitalized interest | (502) | (510) | (998) | (749) |
| Interest paid, net | 474 | 489 | 1,029 | 812 |
| Restructuring, acquisition and other | 90 | 331 | 232 | 386 |
| Program rights amortization | (23) | (26) | (39) | (44) |
| Change in net operating assets and liabilities | 120 | (261) | 409 | 443 |
| Other adjustments ¹ | 34 | (103) | 24 | (119) |
| Free cash flow | 666 | 476 | 1,252 | 846 |

¹ Consists of post-employment benefit contributions, net of expense, cash flows relating to other operating activities, and other investment income from our financial statements.

Other Information

Consolidated financial results - quarterly summary

Below is a summary of our consolidated results for the past eight quarters.

| (In millions of dollars, except per share amounts) | 2024 | | 2023 | | | | 2022 | |
|--|---------------|--------|--------|----------|--------|--------|--------|--------|
| | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| Revenue | | | | | | | | |
| Wireless | 2,466 | 2,528 | 2,868 | 2,584 | 2,424 | 2,346 | 2,578 | 2,267 |
| Cable | 1,964 | 1,959 | 1,982 | 1,993 | 2,013 | 1,017 | 1,019 | 975 |
| Media | 736 | 479 | 558 | 586 | 686 | 505 | 606 | 530 |
| Corporate items and intercompany eliminations | (73) | (65) | (73) | (71) | (77) | (33) | (37) | (29) |
| Total revenue | 5,093 | 4,901 | 5,335 | 5,092 | 5,046 | 3,835 | 4,166 | 3,743 |
| Total service revenue ¹ | 4,599 | 4,357 | 4,470 | 4,527 | 4,534 | 3,314 | 3,436 | 3,230 |
| Adjusted EBITDA | | | | | | | | |
| Wireless | 1,296 | 1,284 | 1,291 | 1,294 | 1,222 | 1,179 | 1,173 | 1,093 |
| Cable | 1,116 | 1,100 | 1,111 | 1,080 | 1,026 | 557 | 522 | 465 |
| Media | – | (103) | 4 | 107 | 4 | (38) | 57 | 76 |
| Corporate items and intercompany eliminations | (87) | (67) | (77) | (70) | (62) | (47) | (73) | (51) |
| Adjusted EBITDA | 2,325 | 2,214 | 2,329 | 2,411 | 2,190 | 1,651 | 1,679 | 1,583 |
| Deduct (add): | | | | | | | | |
| Depreciation and amortization | 1,136 | 1,149 | 1,172 | 1,160 | 1,158 | 631 | 648 | 644 |
| Restructuring, acquisition and other | 90 | 142 | 86 | 213 | 331 | 55 | 58 | 85 |
| Finance costs | 576 | 580 | 568 | 600 | 583 | 296 | 287 | 331 |
| Other (income) expense | (5) | 8 | (19) | 426 | (18) | (27) | (10) | 19 |
| Net income before income tax expense | 528 | 335 | 522 | 12 | 136 | 696 | 696 | 504 |
| Income tax expense | 134 | 79 | 194 | 111 | 27 | 185 | 188 | 133 |
| Net income (loss) | 394 | 256 | 328 | (99) | 109 | 511 | 508 | 371 |
| Earnings (loss) per share: | | | | | | | | |
| Basic | \$0.74 | \$0.48 | \$0.62 | (\$0.19) | \$0.21 | \$1.01 | \$1.01 | \$0.73 |
| Diluted | \$0.73 | \$0.46 | \$0.62 | (\$0.20) | \$0.20 | \$1.00 | \$1.00 | \$0.71 |
| Net income (loss) | 394 | 256 | 328 | (99) | 109 | 511 | 508 | 371 |
| Add (deduct): | | | | | | | | |
| Restructuring, acquisition and other | 90 | 142 | 86 | 213 | 331 | 55 | 58 | 85 |
| Depreciation and amortization on fair value increment of Shaw Transaction-related assets | 220 | 242 | 249 | 263 | 252 | – | – | – |
| Loss on non-controlling interest purchase obligation | – | – | – | 422 | – | – | – | – |
| Income tax impact of above items | (81) | (100) | (85) | (120) | (148) | (13) | (12) | (20) |
| Income tax adjustment, tax rate change | – | – | 52 | – | – | – | – | – |
| Adjusted net income | 623 | 540 | 630 | 679 | 544 | 553 | 554 | 436 |
| Adjusted earnings per share: | | | | | | | | |
| Basic | \$1.17 | \$1.02 | \$1.19 | \$1.28 | \$1.03 | \$1.10 | \$1.10 | \$0.86 |
| Diluted | \$1.16 | \$0.99 | \$1.19 | \$1.27 | \$1.02 | \$1.09 | \$1.09 | \$0.84 |
| Capital expenditures | 999 | 1,058 | 946 | 1,017 | 1,079 | 892 | 776 | 872 |
| Cash provided by operating activities | 1,472 | 1,180 | 1,379 | 1,754 | 1,635 | 453 | 1,145 | 1,216 |
| Free cash flow | 666 | 586 | 823 | 745 | 476 | 370 | 635 | 279 |

¹ As defined. See "Key Performance Indicators".

Summary of financial information of long-term debt guarantor

Our outstanding public debt, amounts drawn on our bank credit and letter of credit facilities, and derivatives are unsecured obligations of RCI, as obligor, and RCCI, as either co-obligor or guarantor, as applicable.

The selected unaudited consolidating summary financial information for RCI for the periods identified below, presented with a separate column for: (i) RCI, (ii) RCCI, (iii) our non-guarantor subsidiaries on a combined basis, (iv) consolidating adjustments, and (v) the total consolidated amounts, is set forth as follows:

| Three months ended June 30 (unaudited) (In millions of dollars) | RCI ^{1,2} | | RCCI ^{1,2} | | Non-guarantor subsidiaries ^{1,2} | | Consolidating adjustments ^{1,2} | | Total | |
|---|--------------------|-----------------|---------------------|-----------------|--|-----------------|---|-----------------|-----------------|-----------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Selected Statements of Income data measure: | | | | | | | | | | |
| Revenue | – | – | 4,282 | 4,134 | 897 | 1,000 | (86) | (88) | 5,093 | 5,046 |
| Net (loss) income | 394 | 109 | 799 | 157 | 156 | 43 | (955) | (200) | 394 | 109 |
| Six months ended June 30 (unaudited) (In millions of dollars) | | | | | | | | | | |
| | RCI ^{1,2} | | RCCI ^{1,2} | | Non-guarantor subsidiaries ^{1,2} | | Consolidating adjustments ^{1,2} | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Selected Statements of Income data measure: | | | | | | | | | | |
| Revenue | – | – | 8,617 | 7,481 | 1,540 | 1,532 | (163) | (132) | 9,994 | 8,881 |
| Net income (loss) | 650 | 620 | 1,189 | 578 | 170 | 62 | (1,359) | (640) | 650 | 620 |
| As at period end (unaudited) (In millions of dollars) | | | | | | | | | | |
| | RCI ^{1,2} | | RCCI ^{1,2} | | Non-guarantor subsidiaries ^{1,2} | | Consolidating adjustments ^{1,2} | | Total | |
| | Jun. 30 2024 | Dec. 31 2023 | Jun. 30 2024 | Dec. 31 2023 | Jun. 30 2024 | Dec. 31 2023 | Jun. 30 2024 | Dec. 31 2023 | Jun. 30 2024 | Dec. 31 2023 |
| Selected Statements of Financial Position data measure: | | | | | | | | | | |
| Current assets | 47,414 | 44,427 | 45,615 | 43,991 | 10,733 | 10,803 | (96,670) | (91,387) | 7,092 | 7,834 |
| Non-current assets | 64,174 | 63,073 | 52,251 | 57,016 | 5,958 | 7,593 | (60,157) | (66,234) | 62,226 | 61,448 |
| Current liabilities | 50,850 | 44,638 | 63,865 | 68,370 | 8,895 | 9,119 | (112,654) | (113,345) | 10,956 | 8,782 |
| Non-current liabilities | 43,171 | 45,437 | 14,613 | 15,820 | 638 | 739 | (10,677) | (11,936) | 47,745 | 50,060 |

¹ For the purposes of this table, investments in subsidiary companies are accounted for by the equity method.

² Amounts recorded in current liabilities and non-current liabilities for RCCI do not include any obligations arising as a result of being a guarantor or co-obligor, as the case may be, under any of RCI's long-term debt.

About Forward-Looking Information

This MD&A includes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (collectively, "forward-looking information"), and assumptions about, among other things, our business, operations, and financial performance and condition approved by our management on the date of this MD&A. This forward-looking information and these assumptions include, but are not limited to, statements about our objectives and strategies to achieve those objectives, and about our beliefs, plans, expectations, anticipations, estimates, or intentions.

Forward-looking information

- typically includes words like *could*, *expect*, *may*, *anticipate*, *assume*, *believe*, *intend*, *estimate*, *plan*, *project*, *guidance*, *outlook*, *target*, and similar expressions;
- includes conclusions, forecasts, and projections that are based on our current objectives and strategies and on estimates, expectations, assumptions, and other factors that we believe to have been reasonable at the time they were applied but may prove to be incorrect; and
- was approved by our management on the date of this MD&A.

Our forward-looking information includes forecasts and projections related to the following items, among others:

- revenue;
- total service revenue;
- adjusted EBITDA;
- capital expenditures;
- cash income tax payments;
- free cash flow;
- dividend payments;
- the growth of new products and services;
- expected growth in subscribers and the services to which they subscribe;
- the cost of acquiring and retaining subscribers and deployment of new services;
- continued cost reductions and efficiency improvements;
- our debt leverage ratio;
- the benefits expected to result from the Shaw Transaction, including corporate, operational, scale, and other synergies, and their anticipated timing; and
- all other statements that are not historical facts.

Our conclusions, forecasts, and projections are based on a number of estimates, expectations, assumptions, and other factors, including, among others:

- general economic and industry conditions, including the effects of inflation;
- currency exchange rates and interest rates;
- product pricing levels and competitive intensity;
- subscriber growth;
- pricing, usage, and churn rates;
- changes in government regulation;
- technology and network deployment;
- availability of devices;
- timing of new product launches;
- content and equipment costs;
- the integration of acquisitions; and
- industry structure and stability.

Except as otherwise indicated, this MD&A and our forward-looking information do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations, or other transactions that may be considered or announced or may occur after the date on which the statement containing the forward-looking information is made.

Risks and uncertainties

Actual events and results can be substantially different from what is expressed or implied by forward-looking information as a result of risks, uncertainties, and other factors, many of which are beyond our control, including, but not limited to:

- regulatory changes;
- technological changes;
- economic, geopolitical, and other conditions affecting commercial activity;
- unanticipated changes in content or equipment costs;
- changing conditions in the entertainment, information, and communications industries;
- sports-related work stoppages or cancellations and labour disputes;
- the integration of acquisitions;
- litigation and tax matters;
- the level of competitive intensity;
- the emergence of new opportunities;
- external threats, such as epidemics, pandemics, and other public health crises, natural disasters, the effects of climate change, or cyberattacks, among others;
- anticipated asset sales may not be achieved within the expected timeframes or at all for proceeds in the amount or type expected;
- new interpretations and new accounting standards from accounting standards bodies; and
- the other risks outlined in "Risks and Uncertainties Affecting our Business" in our 2023 Annual MD&A.

These factors can also affect our objectives, strategies, and intentions. Many of these factors are beyond our control or our current expectations or knowledge. Should one or more of these risks, uncertainties, or other factors materialize, our objectives, strategies, or intentions change, or any other factors or assumptions underlying the forward-looking information prove incorrect, our actual results and our plans could vary significantly from what we currently foresee.

Accordingly, we warn investors to exercise caution when considering statements containing forward-looking information and caution them that it would be unreasonable to rely on such statements as creating legal rights regarding our future results or plans. We are under no obligation (and we expressly disclaim any such obligation) to update or alter any statements containing forward-looking information or the factors or assumptions underlying them, whether as a result of new information, future events, or otherwise, except as required by law. All of the forward-looking information in this MD&A is qualified by the cautionary statements herein.

Before making an investment decision

Before making any investment decisions and for a detailed discussion of the risks, uncertainties, and environment associated with our business, its operations, and its financial performance and condition, fully review the sections of this MD&A entitled "Updates to Risks and Uncertainties" and "Regulatory Developments" and fully review the sections in our 2023 Annual MD&A entitled "Regulation in our Industry" and "Risk Management", as well as our various other filings with Canadian and US securities regulators, which can be found at sedarplus.ca and sec.gov, respectively. Information on or connected to sedarplus.ca, sec.gov, our website, or any other website referenced in this document is not part of or incorporated into this MD&A.

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