



## **CORBY SPIRIT AND WINE LIMITED**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024

Q2

# **CORBY SPIRIT AND WINE LIMITED**

## **Management's Discussion and Analysis**

### **December 31, 2025**

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The following Management's Discussion and Analysis ("MD&A") dated February 11, 2026 should be read in conjunction with the unaudited interim condensed consolidated financial statements and accompanying notes as at and for the three-month period ended December 31, 2025 ("second quarter", "the quarter", or "Q2") and the six-month period ended December 31, 2025 ("H1"), prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). These unaudited interim condensed consolidated financial statements do not contain all disclosures required by IFRS Accounting Standards ("IFRS") for annual financial statements and, accordingly, should also be read in conjunction with the most recently prepared annual consolidated financial statements for the year ended June 30, 2025.

This MD&A contains forward-looking statements, including statements concerning possible or assumed future results of operations of Corby Spirit and Wine Limited ("Corby" or the "Company"), including the statements made under the headings "Strategies", "Significant Events", "Liquidity, Contractual Obligations and Capital Resources", "Recent Accounting Pronouncements" and "Risks & Risk Management". Forward-looking statements typically are preceded by, followed by or include the words "believes", "will", "expects", "anticipates", "estimates", "intends", "plans" or similar expressions. Forward-looking statements are not guarantees of future performance. They involve risks and uncertainties, including, but not limited to: the impact of competition; the impact, and successful integration, of acquisitions; business interruption; trademark infringement; consumer confidence and spending preferences; regulatory changes; general economic conditions; geopolitical events, including disputes between nations, war and international sanctions; and the Company's ability to attract and retain qualified employees. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These factors are not intended to represent a complete list of the factors that could affect the Company and other factors could also affect Corby's results. For more information, please see the "Risks & Risk Management" section of this MD&A.

This document has been reviewed by the Audit Committee of Corby's Board of Directors and contains certain information that is current as of February 11, 2026. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. Corby will provide updates to material forward-looking statements, including in subsequent news releases and its interim MD&A filed with regulatory authorities as required under applicable law. Additional information regarding Corby, including the Company's Annual Information Form, can be found under the Company's profile on the System of Electronic Data Analysis and Retrieval (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca).

Unless otherwise indicated, all comparisons of results for the second quarter of fiscal 2026 (three months ended December 31, 2025) are against results for the second quarter of fiscal 2025 (three months ended December 31, 2024), and all comparisons of results for H1 of fiscal 2026 (six months ended December 31, 2025) are against results for the first half of fiscal 2025 (six months ended December 31, 2024). All dollar amounts are in Canadian dollars unless otherwise stated.

This MD&A includes references to "Adjusted Earnings from Operations", "Adjusted Net Earnings", "Adjusted Basic Earnings per Share", "Adjusted Diluted Earnings per Share", "Organic Revenue", "Adjusted EBITDA", "Total debt" and "Net debt" which are financial measures or financial ratios that are not calculated in accordance with IFRS. For a reconciliation of these non-IFRS measures to the most directly comparable IFRS financial measures, see the "Non-IFRS Financial Measures" and "Non-IFRS Financial Ratios" section of this MD&A.

#### **Business Overview**

Corby is a leading Canadian manufacturer, marketer and importer of spirits, wines and ready-to-drink cocktails. Corby's national leadership is sustained by a diverse brand portfolio that allows the Company to drive profitable growth with strong, consistent cash flows. Corby is a publicly traded company, with its shares listed on the Toronto

Stock Exchange under the symbols “CSW.A” (Voting Class A Common Shares) and “CSW.B” (Non-Voting Class B Common Shares). Corby’s Voting Class A Common Shares are majority-owned by Hiram Walker & Sons Limited (“HWSL”) (a private company) located in Windsor, Ontario. HWSL is a wholly-owned subsidiary of international spirits and wine company, Pernod Ricard S.A. (“PR”) (a French public limited company), which is headquartered in Paris, France. Therefore, throughout the remainder of this MD&A, Corby refers to HWSL as its parent, and to PR as its ultimate parent. Affiliated companies are those that are also subsidiaries of PR.

The Company derives its revenues from the sale of its owned-brands (“Case Goods”), as well as earning commission income from the representation of selected non-owned brands in Canada (“Commissions”). The Company also supplements these primary sources of revenue with other ancillary activities incidental to its core business, such as logistics fees and, from time-to-time, bulk whisky sales to rebalance its maturation inventories. Revenue from Corby’s owned-brands predominantly consists of sales made to each of the provincial liquor boards (“LBs”) in Canada, and also includes sales to international markets.

Corby’s portfolio of owned-brands includes some of the most renowned brands in Canada, including J.P. Wiser’s® Canadian whisky, Lamb’s® rum, Polar Ice® vodka, McGuinness® liqueurs, Cottage Springs®, and Nude® ready-to-drink (“RTD”) beverages (collectively, the “Ace Beverage Group Brands”), Ungava® gin, Chic Choc® Spiced rum, and Cabot Trail® maple cream liqueur (Coureur des Bois®, in Quebec) (collectively, the “Ungava Spirit Brands”) and the Foreign Affair® wine brands (the “Foreign Affair Brands”).

Through its affiliation with PR, Corby also represents leading international brands such as Absolut® vodka, Chivas Regal®, The Glenlivet® and Ballantine’s® Scotch whiskies, Jameson® Irish whiskey, Beefeater® gin, Malibu® and Bumbu® rums, Olmeca Altos® and Código 1530® tequilas, Jefferson’s™ and Rabbit Hole® bourbons, Kahlúa® liqueur, and Mumm® champagne. In addition to representing PR’s brands in Canada, Corby also provides representation for certain selected, unrelated third-party brands (“Agency brands”) when they fit within the Company’s strategic direction and, thus, complement Corby’s existing brand portfolio. On April 30, 2025, PR finalized the sale of its international strategic wine brands to Australian Wine Holdco Limited, previously announced on July 17, 2024, brands sold included Jacob’s Creek®, Stoneleigh®, and Campo Viejo® wines. On August 29, 2025, Corby announced the signing of a new agreement with Vinarchy North America Incorporated, a subsidiary of Australian Wine Holdco Limited, effective September 1, 2025, pursuant to which Corby will continue its exclusive representation of the aforementioned brands in Canada for two years. Please refer to the “Significant Events” section in this MD&A for further details.

PR produces the majority of Corby’s owned-brands under a distillate agreement and a co-pack agreement, each expiring September 30, 2026, at HWSL’s production facility in Windsor, Ontario. Under an administrative services agreement which also expires September 30, 2026, the parties provide certain services to each other. The Company and the Corby Board of Directors are actively engaged in ongoing discussions with PR related to the renewal of the 2006 agreements, including the administrative services, distillate, and co-pack agreements (please refer to the “Related Party Transactions” section of this MD&A for more information).

Corby sources more than 90% of its spirits production requirements from HWSL at its production facility in Windsor, Ontario. Corby’s wholly-owned subsidiary, Ungava Spirits Co. Ltd. (“Ungava Spirits”) produces the Ungava Spirits Brands and operates the Cowansville, Quebec production facility. Corby’s wholly-owned subsidiary, the Foreign Affair Winery Ltd., produces the Foreign Affair Brands and operates the winery and vineyard, based in Ontario’s Niagara region (the “Foreign Affair Winery”). Corby’s 95%-owned subsidiary, Ace Beverage Group Inc. (“ABG”), develops product recipes in-house at its innovation lab in Toronto, Ontario and partners with various third-party manufacturers across Canada for its production requirements. The Company’s remaining production requirements have been outsourced to various third-party manufacturers, including in the United Kingdom (“UK”). The UK site blends and bottles Lamb’s products destined for sale in countries located outside North America.

In most provinces, Corby’s route-to-market (“RTM”) in Canada entails shipping its products to government-controlled LBs. The LBs then sell directly, or control the sale of, beverage alcohol products to end consumers. Exceptions to this model include Alberta, where the retail sector is privatized. In this province, Corby ships products to a bonded warehouse that is managed by a government-appointed service provider who is responsible

for warehousing and distribution into the retail channel. Other provinces have aspects of both government-controlled and private retailing, including British Columbia, Ontario, Manitoba and Quebec.

As of September 2024, beverage alcohol excluding spirits are now sold in Ontario grocery, convenience, and big-box stores, following the regulatory changes announced by the Ontario government on July 15, 2024. The modernization of the RTM in Ontario allows consumers to purchase a wider range of beverages with greater convenience, including Corby's wine and RTD portfolios. The Company remains agile in its approach to the RTM modernization in Ontario to capitalize on this strategic opportunity for the business as well as continuing to cater to the needs of our consumers with the best of our product offerings. However, lower foot traffic in liquor board stores that sell spirits has been noted, following such expansion of retail channels. Please refer to the "Risks & Risk Management" section in this MD&A for further details.

Corby's shipment patterns to the LBs will not always exactly match short-term consumer purchase patterns. However, given the importance of monitoring consumer consumption trends over the long-term, the Company stays abreast of consumer purchase patterns in Canada through its member affiliation with the Association of Canadian Distillers ("ACD"), which tabulates and disseminates consumer purchase information it receives from the LBs to its industry members. Corby refers to this data throughout this MD&A as "retail sales", which are measured in volume (measured in nine-litre case equivalents). Current retail value information as discussed in this MD&A is based on available pricing information as provided by the ACD and the LBs.

In addition to a focus on efforts to open new international markets, Corby's international business is concentrated in the United States ("US") and UK, and the Company has a different RTM for each. For the US market, Corby manufactures its products in Canada and ships to third-party US distributors. The market in the US operates a three-tier distribution system which often requires a much longer and larger inventory pipeline than in other markets, resulting in a disconnect between quarterly shipment performance, as reported in the financial statements, and the true underlying performance of the brands at retail level during the same quarter.

For the other international markets, Corby products are distributed by PR affiliates or third parties (more information is provided in the "Related Party Transactions" section of this MD&A).

Corby's operations are subject to seasonal fluctuations. Spirits sales typically are strong in the first and second fiscal quarters, while third-quarter sales usually are lower after the end of the retail holiday season. Fourth-quarter spirits sales typically increase again with the onset of warmer weather as consumers tend to increase their purchasing levels during the summer season. In contrast, the RTD segment benefits from outdoor gatherings and warmer months, leading typically to stronger sales in the first and fourth fiscal quarters, during the spring and summer.

In addition, retail sales comparisons could be affected by timing of key holidays and LBs' reporting calendars. Lingering effects from previous or ongoing disruptions to the global supply chain, LBs' order phasing and inventory management have contributed to an alteration of our typical sales trends (impacting year over year comparability).

## **Significant Events**

On September 26, 2025, Corby exercised a call option provided for in the shareholder agreement between Corby, Ace Beverage Holdco Inc. ("Ace Holdco"), and the minority shareholders of Ace Holdco dated July 4, 2023, to purchase additional outstanding shares of Ace Holdco, increasing its ownership stake in Ace Holdco by 5% to 95% of the issued and outstanding shares. The call option exercise price was paid to the non-controlling shareholders in the amount of \$9.3 million on October 10, 2025.

On July 17, 2024, PR announced the sale of its international strategic wine brands to Australian Wine Holdco Limited, which closed effective on April 30, 2025. The transaction included the sale of a wide portfolio of international wine brands owned and produced by Pernod Ricard Winemakers from three origins including Jacob's Creek® from Australia; Stoneleigh®, Brancott Estate® from New Zealand; and Campo Viejo® from Spain. Corby continued to represent these brands in Canada during a transition period that expired on August 31, 2025 under the same terms as those contained in the 2021 representation agreement with PR (please refer to the "Related Party Transactions" section of this MD&A for further details). On August 29, 2025, Corby announced the signing of a new agreement with Vinarchy North America Incorporated (Vinarchy), a subsidiary of Australian Wine Holdco

Limited, effective September 1, 2025, pursuant to which Corby will continue its exclusive representation of the above-mentioned brands in Canada for two years, subject to terms of the agreement.

## **Strategies**

Corby is a leading diversified beverage alcohol company in Canada. Our strategy is designed to strengthen our position with responsible, sustainable and profitable growth through targeted brand investment that the Company believes will also produce strong and consistent cash flows to sustain an on-going dividend payment to shareholders. Corby has a large portfolio of domestic and international brands, so the Company aims at allocating advertising and promotional investment to the brands and touchpoints with consumers that it believes will create sustained revenue and consistent cash flows. Brand investment is determined annually as part of Corby's overall strategic plan process using the targeted brand investment approach outlined above.

The Company believes that Corby's iconic Canadian brand portfolio provides a route to sustainable value creation, complemented by its exclusive representation of a broad portfolio of international brands. Operating in the mature yet dynamic Canadian spirits and wines market as well as the growing RTD category, brand performance is driven by evolving consumer trends, the deep understanding of which is the foundation for market success.

Active brand management is the foundation of Corby's strategy, driving growth through volume, price and mix, with passionate teams dedicated to developing and executing plans with rigor and agility. The Company believes that providing offerings across different price points will help it maintain relevance across all occasions.

Improving profitability through the pursuit of efficiencies is another important lever as we work to maximize revenue growth management, cost optimization and advertising and promotion effectiveness. Corby utilizes proprietary digital tools to aid in optimizing return on investment on advertising and promotion, pricing strategy, and sales execution to accelerate top line growth (by closing distribution gaps). Using these tools and platforms, Corby converts consumer and market data into valuable insights to help build competitive advantage, deliver efficiencies and be more effective and impactful, while improving collaboration across the organization.

Consumer insight-led innovations are essential to Corby's strategy to capture growth in the ever-changing environment. These innovations will target different activities encompassing the entirety of the consumer proposition including new product development to bring to life new-to-world products and range extensions or limited editions that expand a brand's footprint to new consumers and occasions. Related to innovation, to ensure the portfolio continues to provide relevant consumer propositions, mergers and acquisitions ("M&A") remain a strategic option. This can encompass portfolio rationalization initiatives or the acquisition of brands to develop the portfolio or adjacent businesses to complement our current business, such as the acquisitions of ABG on July 4, 2023, the Nude brand and certain assets on May 13, 2024 (the "Nude Acquisition"), and more recently, the disposal of certain non-core ABG brands on October 6, 2025 to consolidate our leading RTD player position across Canada. Please refer to Note 6 of the interim condensed consolidated financial statements for Q2 for more information on the sale of the non-core brands Ace Hill beer, Ace Hill RTDs and Liberty Village Dry Cider.

Export provides a clear growth opportunity, and the Company intends to continue actively developing its export business, including efforts to open new international markets, in addition to a continued focus on the US and UK markets for certain brands. In the US, Corby has a distribution agreement with a third-party distributor and approaches the market by focusing on certain states. In the UK, the Company endeavors to scale up the Lamb's Spiced rum brand, to introduce relevant new products and simplify the supply chain. Currently, as part of its strategic plan, Corby is expanding its business in European countries and other international markets on a transactional basis, where minimal investment and resources are required.

The Company believes its unique position in Canada, as well as its arrangement with its ultimate parent, the world's number two spirits company, PR, enables Corby to leverage both local and global expertise. The relationship with PR provides an important revenue stream through Commissions with a complementary premium international portfolio that expands Corby's market presence and sustains an organization able to bring expertise.

The Company is of the view that expertise is provided through world class talents, beginning with consumer insights, encompassing commercial teams with national route to market coverage, and leveraging PR for its production expertise at the Hiram Walker distillery, home of our flagship brand J.P. Wiser's Canadian whisky.

Having access to national sales data through our membership in the ACD, combined with our investments in promotion management tools, provides Corby with a data-rich foundation from which to drive its strategy.

Our strategy is founded on our values. Being a consumer-centric company means reflecting in our own organization the society in which we operate. The Company's diversity and inclusion pillar is a strategic focus and part of the Company's ongoing journey to have highly engaged and performing teams.

Sustainability and Responsibility ("S&R") initiatives are an important part of how we connect with our communities, partner with our customers, and support our employees. Through our partnership with our ultimate parent, PR, the Company believes that it is able to leverage the global best practices, expertise and resources of PR's S&R programs in order to enhance the positive impact of Corby's own activities. Corby is committed to promoting sustainable practices, fostering responsible consumption and contributing to the well-being of communities and the environment. The Company's approach to S&R is aligned with the United Nations Sustainable Development Goals (SDGs) and aims to drive innovation, brand differentiation, and employee engagement across the organization. The platform is structured around four key pillars: Nurturing Terroir, Valuing People, Circular Making, and Responsible Hosting, which guide sustainability efforts from sourcing raw materials to serving customers.

## Brand Performance Review

Corby's portfolio of owned brands accounts for 87% of the Company's total revenue. Included in this portfolio are its key brands: J.P. Wiser's Canadian whisky, Lamb's rum, Polar Ice vodka, Corby's mixable liqueur brands, McGuinness and Meaghers, Ace Beverage Group Brands and the Ungava Spirits Brands. The sales performance of these key brands significantly impacts Corby's net earnings.

### Shipment Volume and Shipment Value Performance

See below a table summary of the performance of Corby's owned brands in terms of both shipment volume (as measured by shipments to customers in equivalent nine-litre cases) and shipment value (as measured by the change in net sales revenue). The table includes results for sales in both Canada and international markets. Specifically, J.P. Wiser's, Lamb's, Lot No. 40, Pike Creek and the Ungava Spirits Brands are also sold to international markets, particularly in the US and UK. As described in the "Business Overview" section of this MD&A, Corby's shipment volumes are subject to being impacted by volatility in LBs order phasing as well as global supply chain and logistics delays.

BRAND PERFORMANCE CHART - INCLUDES BOTH CANADIAN AND INTERNATIONAL SHIPMENTS								
	Three Months Ended				Six Months Ended			
			Shipment Change				Shipment Change	
	Dec. 31, 2025	Dec. 31, 2024	Volume %	Value %	Dec. 31, 2025	Dec. 31, 2024	Volume %	Value %
<i>(Volumes in 000's of 9L cases)</i>								
<b>Brand</b>								
J.P. Wiser's Canadian whisky	242	233	4%	8%	443	399	11%	9%
Polar Ice vodka	92	103	(10%)	(6%)	205	209	(2%)	(7%)
Lamb's rum	112	119	(6%)	(3%)	208	213	(2%)	3%
Mixable liqueurs	50	49	2%	1%	81	90	(10%)	(8%)
Ungava Spirits brands	60	41	45%	33%	110	80	39%	32%
Ace Beverage Group brands	586	514	14%	19%	1,737	1,400	24%	28%
Other Corby-owned brands	48	41	16%	44%	88	88	1%	20%
<b>Total Corby brands</b>	<b>1,190</b>	<b>1,100</b>	<b>8%</b>	<b>12%</b>	<b>2,873</b>	<b>2,479</b>	<b>16%</b>	<b>15%</b>

Corby's owned brands grew 8% in volume and 12% in value compared to the three months ended December 31, 2024, supported by the successful execution of the "Proudly Canadian" sales plan following the de-shelving of US-origin products from liquor board shelves. This growth was further driven by Corby's RTD business expansion, by continuing to capitalize on RTM modernization in Ontario and the lapping of the LCBO labour strike in July 2024, which had negatively impacted shipments last year. Ace Beverage Group brands benefited particularly from

these tailwinds, posting 14% volume growth and 19% value growth in the second quarter of fiscal 2026, further supported by continued foothold expansion into Western Canada.

J.P. Wiser's Canadian whisky shipment performance improved by 4% in volume and 8% in value during the second quarter of fiscal 2026, benefitting from retaliatory trade measures against US-origin products and amplified by the J.P. Wiser's NHL partnership, which saw strong traction in the US, particularly through sponsorships with the Pittsburgh Penguins and Detroit Red Wings. This growth was hindered by shipment disruptions caused by the British Columbia General Employees' Union (BCGEU) labour strike. However, J.P. Wiser's has also benefitted from stronger liquor board shipment buy-ins in Ontario as the LCBO undertook measures to protect their stock ahead of, and during, their enterprise resource planning (ERP) system upgrade.

Ungava Spirits Brands delivered strong growth, with shipments up 45% in volume and 33% in value in the second quarter of fiscal 2026, with flagship products Cabot Trail Maple Whiskey benefitting from the de-shelving of US-origin products in Quebec. Ungava shipment performance was further supported by the Ungava Fraise Yuzu Gin innovation, Chic Choc Noir package innovation and lapping a particularly challenging market in the prior fiscal year.

Mixable liqueurs also delivered solid gains in Q2 after a softer first quarter of fiscal 2026, driven by strong performances and value conversions of McGuinness Peach Schnapps and Meaghers Triple Sec, Mixable liqueurs' shipment volume and value in the second quarter of fiscal 2026 grew by 2% and 1% respectively.

However, these gains were partially offset by declines in other brands. Polar Ice vodka's shipment volume and value declined by 10% and 6%, respectively, in the second quarter of fiscal 2026 cycling innovation launches in fiscal 2025, further affected by softer sellout performance in Ontario. Lamb's rum posted a 6% decrease in volume and a 3% decrease in value in the second quarter of fiscal 2026, largely due to softer shipments to the UK.

H1 FY26 shipments of Corby's owned brands grew 16% in shipment volume and 15% in shipment value, versus the same period in the prior year. Total Case Goods value growth was propelled by Corby's ongoing RTD business expansion, capitalizing on new channel pipeline fill, and the momentum of RTM modernization in Ontario. H1 shipments also benefitted from strong order patterns from the LCBO due to the timing of their ERP system upgrade. However, Corby's owned brands performance was negatively affected by the BCGEU labour strike during September to October 2025.

Trends in Canada differ from international markets as highlighted in the following table:

	Three Months Ended				Six Months Ended			
			Shipment Change				Shipment Change	
	Dec. 31, 2025	Dec. 31, 2024	Volume %	Value %	Dec. 31, 2025	Dec. 31, 2024	Volume %	Value %
(Volumes in 000's of 9L cases)								
Domestic	1,119	1,026	9%	11%	2,721	2,350	16%	13%
International	70	74	(5%)	25%	152	129	18%	38%
<b>Total Corby brands</b>	<b>1,190</b>	<b>1,100</b>	<b>8%</b>	<b>12%</b>	<b>2,873</b>	<b>2,479</b>	<b>16%</b>	<b>15%</b>

In the second quarter, domestic shipments increased 9% in volume and 11% in value compared to the same period last year. Excluding the contribution in fiscal years 2026 and 2025 from non-core brands disposed of in second quarter of fiscal year 2026, Corby's domestic case goods revenue grew by 12%, largely led by Corby's RTD business expansion, with strong sales of Cottage Springs with further grocery and convenience store channel fill in Ontario and further expansion into western Canada, along with Slappy's strong shipment performances in Western Canada.

Regarding our international markets' performance, shipment volumes declined 5% while shipment value climbed 25% in the second quarter of fiscal 2026 compared to the same period last year, showing great value conversion. Particularly driven by J.P. Wiser's and Pike Creek's renewed expansion into Turkish market channels. Q2 shipment to the US and the UK were negatively impacted by overall shipment phasing, following a stronger pipeline fill during the first quarter of fiscal 2026.

Value in the second quarter of fiscal 2026 grew ahead of the overall volume trend as result of favourable mix impacts, while volume in the first half grew ahead of overall value trend as a result of adverse portfolio and provincial mix.

### **Retail Sales Performance / Spirit Market Trends**

Analysis of performance of Corby's brands at the retail level in Canada provides insight with regards to consumers' current purchase patterns and trends.

In the twelve months ended December 31, 2025, the Canadian spirits industry retail sales declined 4% in volume and 4% in value when compared to last year. While benefitting from cycling the LCBO labour strike in Ontario in July 2024, the spirits industry continued to be materially impacted by structural changes in the beverage alcohol landscape in the province, with channel expansion for wine and RTD categories reducing foot traffic to LCBO stores and minimum floor price removal increasing affordability in key categories, however, softening value performance. The BCGEU strike further increased spirits volatility into the second fiscal quarter and the removal of US-origin spirits, in response to increased U.S. tariffs on Canada earlier in the calendar year, continued to alter demand dynamics across categories. Industry trends over the past twelve-months were led by retail sales value declines in bourbon, vodka and rum categories while Canadian whisky & Irish whiskey posted growth, benefitting from bourbon removal from shelves in most provinces. Tequila continued to trend positively and RTDs remained the fastest growing category overall, growing 10% in volume and 12% in value, benefitting from the LCBO strike recovery as well as the opening of grocery and convenience channels in Ontario.

Corby's total represented spirits (including PR spirits) have outperformed the Canadian spirits market in value for thirteen consecutive quarters. Over the past twelve months, Corby spirits grew 2% in value and Corby RTDs (excluding Nude Beverages) were dynamic, growing 28% in value. Both Corby spirits and Corby RTDs outpaced the market in value growth, reflecting the strength of the Company's diversified product portfolio, local brand resonance, excellent sales execution and compelling new product launches, as well as its ability to successfully navigate a shifting retail landscape and ongoing supply and labour disruptions coast-to-coast.

The following brand discussion provides a more detailed analysis of the performance of each of Corby's key brands relative to its respective industry category. Retail sales volume and value data, as provided by the ACD and LBs, is set out in the following table and is discussed throughout this MD&A.

It should be noted that the retail information presented does not include international retail sales of Corby-owned brands and on-site winery sales.

### **Retail Sales Performance / Summary of Corby's Key Brands**

#### **RETAIL SALES FOR THE CANADIAN MARKET ONLY (AS PROVIDED BY THE ACD<sup>(1)</sup>)**

Brand	Three Months Ended				Six Months Ended				Twelve Months-Ended			
			% Retail	% Retail			% Retail	% Retail			% Retail	% Retail
	Dec. 31, 2025	Dec. 31, 2024	Volume Growth	Value Growth	Dec. 31, 2025	Dec. 31, 2024	Volume Growth	Value Growth	Dec. 31, 2025	Dec. 31, 2024	Volume Growth	Value Growth
<i>(Volumes in 000's of 9L cases)</i>												
J.P. Wiser's Canadian whisky	220	221	0%	2%	389	383	1%	3%	717	718	0%	1%
Polar Ice vodka	102	113	(10%)	(9%)	218	222	(2%)	(4%)	418	407	3%	0%
Lamb's rum	66	63	5%	6%	120	116	3%	5%	221	216	2%	5%
Mixable liqueurs	45	52	(15%)	(14%)	83	92	(10%)	(9%)	146	161	(9%)	(7%)
Ace Beverage Group Brands <sup>(2)</sup>	737	621	19%	22%	1,817	1,407	29%	29%	3,061	2,474	24%	21%
Ungava Spirits Brands	65	57	14%	21%	105	93	12%	22%	168	151	11%	18%
Other Corby-owned brands	42	40	5%	15%	77	77	(1%)	9%	148	151	(2%)	6%
<b>Total</b>	<b>1,277</b>	<b>1,167</b>	<b>9%</b>	<b>6%</b>	<b>2,809</b>	<b>2,391</b>	<b>17%</b>	<b>9%</b>	<b>4,880</b>	<b>4,278</b>	<b>14%</b>	<b>7%</b>

<sup>(1)</sup> Refers to sales at the provincial liquor retail store and licensee level in Canada, as well as sales from provincial liquor boards to authorized private retailers and licensees in Canada, as provided by the Association of Canadian Distillers and Provincial liquor boards.

<sup>(2)</sup> Retail Sales data for Nude Beverages in the province of Alberta is not reported consistently in ACD data across current and comparative periods, and as such, has been excluded from this table.



### **J.P. Wiser's Canadian Whisky**

J.P. Wiser's Canadian whisky is Corby's flagship brand and one of Canada's best-selling Canadian whiskies. The brand's retail volume grew 1% while value grew 3% in H1 FY26, slightly behind an overall growing Canadian whisky category in terms of value, as it continues to normalize following the LCBO strike in the first quarter of last year. Retail sales volumes for the Canadian whisky category grew 3%, while retail value for the category grew 5% over the same comparable period. Category value growth was enhanced by strong growth in the super-premium sub-category from consumers seeking substitutes for bourbon products, while the J.P. Wiser's family maintains a stronger weighting in the declining standard and premium sub-categories.

### **Polar Ice Vodka**

Polar Ice vodka is among the top-selling vodka brands in Canada and is a favourite in the on-premise channel. Polar Ice retail volumes declined by 2% while retail value declined by 4% in the six-months ended December 31, 2025 compared to the prior year, with declines in Polar Ice vodka spirit products from strong competition in certain provinces partially offset by the launch of several innovations in the RTD segment. The overall vodka category in Canada declined 2% in retail volume and declined 3% in retail value on a comparable basis.

### **Lamb's Rum**

Lamb's rum, a top-selling rum family in Canada, demonstrated resilient performance despite being impacted by challenging consumer trends for standard rum, particularly in regional strongholds. Retail volume for the overall rum category declined 5% for the six months ended December 31, 2025, while retail value declined 3% compared to the same period in the prior year. Retail volume and value declines are attributed to overall soft consumer trends, partially offset by the lapping of the LCBO labour strike in July 2024. As a result, Lamb's rum gained share over the category as it grew 3% in retail volume and 5% in retail value for the six months ended December 31, 2025 compared to the same period in the prior year, benefitting from shelf prominence following the removal of US-origin spirits and the lapping of the LCBO labour strike in July 2024.

### **Mixable Liqueurs**

Corby's mixable liqueur brands consist of McGuinness liqueurs (Canada's largest mixable liqueur brand family) and Meaghers liqueurs (available in Quebec). Retail volumes declined 10% while retail value declined 9% for the six months ended December 31, 2025 compared to the prior year. Retail volume for the liqueurs category overall declined 3% while value declined 2% for the six months ended December 31, 2025 compared to the same period last year.

### **Ace Beverage Group Brands**

Ace Beverage Group Brands' portfolio increased 29% in retail volume and retail value for the six months ended December 31, 2025, compared to the prior year, reflecting an outstanding growth in the fast-evolving RTD segment. These results were mainly driven by strong innovation and expansion into the new grocery and convenience channel in Ontario as well as into western provinces through a streamlined and synergistic sales strategy, while also lapping the LCBO labour strike in July 2024 with the portfolio having a heavy weight in Ontario.

The flagship brand Cottage Springs, top-selling RTD brand in Ontario, grew 38% in retail volume and 36% in retail value for the six months ended December 31, 2025 versus the prior year, with strong growth from innovation launches and capitalizing on the RTM modernization in Ontario, also lapping store closures in Ontario last year due to the LCBO labour strike. Retail volume and value for the RTD category in Ontario (where Cottage Springs is primarily sold) grew 29% for the six months ended December 31, 2025 compared to the same period last year.

### **Ungava Spirits Brands**

Retail volume and value for the Ungava Spirits Brands grew 12% in volume and 22% in value for the six months ended December 31, 2025 compared to the same period last year. The flagship brand, Ungava gin, boosted by the introduction of the Strawberry Yuzu flavour innovation, grew 13% in retail volume and 17% in retail value. Performance was well ahead of the gin category, which declined 3% in retail volume and 2% in retail value.

Cabot Trail maple-based liqueurs (in Quebec, Coureur des Bois) performed well with consumer popularity with Canadian products as US products remained de-shelved at provincial liquor boards. Retail volume grew 7% while value grew 11%, in the six months period ended December 31, 2025 compared to the same period last year.

These trends were enhanced by the performance of Baril Cache whisky, and strong growth of Chic Choc Rum in Quebec. RTD and RTS innovations launched in the Quebec market are growing rapidly but resulted in a dilutive effect on the overall volume to value conversion of the Ungava Spirits Brands portfolio.

### **Other Corby-Owned Brands**

Other Corby-Owned Brands include premium offerings in Canadian whisky such as Lot No. 40®, Pike Creek®, and Gooderham & Worts® (collectively known as the Northern Border Collection), Royal Reserve® and the Foreign Affair Brands. Collectively this group of brands saw a 1% decline in retail volume, though a 9% increase in retail value for the six months ended December 31, 2025 compared to the same period in the prior year.

The Northern Border Collection grew 108% in volume and 114% in value driven by outstanding performance on Lot No. 40® with growing consumer demand for the premium Canadian whisky in the retail and on-premise channel amid recent sale restrictions on bourbon in certain provinces. This growth was further enhanced by the lapping of the LCBO labour strike in July 2024, where the Northern Border Collection is heavily weighted.

Royal Reserve declined 16% in retail volume and 14% in retail value during H1 of fiscal 2026, compared to the prior year, in line with overarching consumer trends and macroeconomic factors.

Foreign Affair Brands are available through several channels including e-commerce, direct delivery (on-premise and wine club) and the on-site winery visitor centre. Retail performance is typically impacted by customer ordering patterns and does not capture e-commerce, direct delivery and on-site sales to consumers.

## Financial and Operating Results

The following table presents a summary of certain selected consolidated financial information of the Company for the three-and-six month periods ended December 31, 2025 and 2024:

(in millions of Canadian dollars, except per share amounts)	Three months ended				Six Months Ended			
	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change
<b>Revenue</b>	<b>\$ 66.9</b>	<b>\$ 61.7</b>	<b>\$ 5.3</b>	<b>9%</b>	<b>\$ 142.3</b>	<b>\$ 126.8</b>	<b>\$ 15.5</b>	<b>12%</b>
Cost of sales	(35.0)	(30.4)	\$ (4.6)	15%	(73.8)	(62.6)	\$ (11.3)	18%
Marketing, sales and administration	(18.4)	(18.2)	(0.2)	1%	(38.5)	(36.3)	(2.2)	6%
Other income (expense)	0.4	(0.0)	0.4	(1,131%)	0.3	0.2	0.1	94%
<b>Earnings from operations</b>	<b>13.8</b>	<b>13.0</b>	<b>0.8</b>	<b>6%</b>	<b>30.3</b>	<b>28.0</b>	<b>2.2</b>	<b>8%</b>
<b>Adjusted Earnings from operations<sup>(1)</sup></b>	<b>13.8</b>	<b>13.0</b>	<b>0.8</b>	<b>6%</b>	<b>30.3</b>	<b>28.6</b>	<b>1.6</b>	<b>6%</b>
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>17.3</b>	<b>17.2</b>	<b>0.1</b>	<b>1%</b>	<b>37.6</b>	<b>36.7</b>	<b>0.9</b>	<b>2%</b>
Financial income	0.1	0.3	(0.2)	(73%)	0.2	0.7	(0.5)	(71%)
Financial expenses	(1.8)	(2.3)	0.5	(21%)	(3.7)	(4.8)	1.1	(22%)
Fair value adjustment of non-controlling interest obligation	-	-	-	N/A	(0.5)	-	(0.5)	N/A
Net financial expense	(1.8)	(2.1)	0.3	-14%	(4.1)	(4.1)	0.1	-2%
Earnings before income taxes	12.1	11.0	1.1	10%	26.2	23.9	2.3	10%
Income taxes	(3.2)	(3.1)	(0.1)	5%	(7.2)	(6.7)	(0.5)	7%
<b>Net earnings</b>	<b>\$ 8.8</b>	<b>\$ 7.9</b>	<b>\$ 0.9</b>	<b>12%</b>	<b>\$ 19.0</b>	<b>\$ 17.2</b>	<b>\$ 1.8</b>	<b>11%</b>
<b>Adjusted Net earnings<sup>(1)</sup></b>	<b>\$ 9.1</b>	<b>\$ 8.4</b>	<b>\$ 0.7</b>	<b>8%</b>	<b>\$ 20.1</b>	<b>\$ 18.6</b>	<b>\$ 1.5</b>	<b>8%</b>
Per common share								
- Basic net earnings	\$ 0.31	\$ 0.28	\$ 0.03	12%	\$ 0.67	\$ 0.60	\$ 0.06	11%
- Diluted net earnings	\$ 0.31	\$ 0.28	\$ 0.03	12%	\$ 0.67	\$ 0.60	\$ 0.06	11%
- Adjusted Basic net earnings <sup>(1)</sup>	\$ 0.32	\$ 0.30	\$ 0.02	8%	\$ 0.71	\$ 0.66	\$ 0.05	8%
- Adjusted Diluted net earnings <sup>(1)</sup>	\$ 0.32	\$ 0.30	\$ 0.02	8%	\$ 0.71	\$ 0.66	\$ 0.05	8%

<sup>(1)</sup> See "Non-IFRS Financial Measures"

## Overall Financial Results

In the second quarter of fiscal 2026, Corby delivered robust improvements in earnings, reflecting strong revenue growth driven by continued RTD business expansion, spirits' portfolio market share increase benefiting from the US-origin products removal in key provinces, and favourable LCBO ordering patterns. This growth led to strong reported earnings and profitability on a year-over-year basis with reported and adjusted earnings from operations of \$13.8 million, both increasing by 6%. During the six-month period ended December 31, 2025, Corby exercised its call option to purchase an additional 5% of the issued and outstanding shares of Ace Holdco, as a result, Corby's quarterly non-controlling interest (NCI) obligation costs reduced from \$0.5 million to \$0.3 million, which led to further net profitability improvements, delivering Q2 reported net earnings of \$8.8 million and adjusted net earnings of \$9.1 million, growing 12% and 8% respectively.

In the first half of fiscal 2026, Corby also delivered strong results, materialized by reported and adjusted earnings from operations of \$30.3 million, increasing by 8% and 6%, respectively, versus the same period last year. As required under IFRS, inventory acquired in a business combination is adjusted to its fair market value upon acquisition. Reported earnings for the first half of fiscal 2025 were impacted by \$0.6 million of fair market value adjustment of acquired Nude inventory. Additionally, Corby's NCI obligation is carried at fair value, which is adjusted through profit and loss. As a result of Corby exercising its call option to purchase an additional 5% of the issued and outstanding shares of Ace Holdco, the NCI obligation was adjusted to fair value, resulting in a fair value adjustment loss of \$0.5 million in net earnings during the fiscal period (See Note 12 of the interim condensed

consolidated financial statements for the three- and six-month period ended December 31, 2025, for further details).

H1 adjusted earnings from operations and adjusted net earnings excludes the impacts of the above-mentioned fair value adjustments to inventory and Corby's NCI obligation to provide insight to the underlying performance of the acquired businesses (Refer to the "Non-IFRS Financial Measures" section of this MD&A for further details). Corby reported net earnings of \$19.0 million and adjusted net earnings of \$20.1 million for six months ended December 31, 2025, reflecting increases of 11% and 8% year-over-year, respectively.

## Revenue

The following highlights the key components of the Company's revenue streams:

(in millions of Canadian dollars)	Three months ended							
	Reported				Organic <sup>(1)(2)</sup>			
	Dec. 31, 2025	Dec. 31, 2024	\$Change	%Change	Dec. 31, 2025	Dec. 31, 2024	\$Change	%Change
<b>Revenue streams:</b>								
<b>Case Goods</b>	\$ 58.2	\$ 52.1	\$ 6.2	12%	\$ 58.2	\$ 51.3	\$ 6.9	13%
Domestic	53.4	48.2	5.2	11%	53.4	47.4	5.9	12%
International	4.8	3.8	0.9	25%	4.8	3.8	0.9	25%
<b>Net commissions</b>	7.8	8.4	(0.7)	(8%)	7.8	8.4	(0.7)	(8%)
Gross commissions	9.6	11.0	(1.4)	(13%)	9.6	11.0	(1.4)	(13%)
Amortization of representation rights	(1.8)	(2.6)	0.8	(29%)	(1.8)	(2.6)	0.8	(29%)
<b>Other services</b>	0.9	1.2	(0.2)	(21%)	0.9	1.2	(0.2)	(21%)
<b>Revenue</b>	\$ 66.9	\$ 61.7	\$ 5.3	9%	\$ 66.9	\$ 60.9	\$ 6.0	10%

  

(in millions of Canadian dollars)	Six months ended							
	Reported				Organic <sup>(1)(2)</sup>			
	Dec. 31, 2025	Dec. 31, 2024	\$Change	%Change	Dec. 31, 2025	Dec. 31, 2024	\$Change	%Change
<b>Revenue streams:</b>								
<b>Case Goods</b>	\$ 124.4	\$ 108.6	\$ 15.9	15%	\$ 123.4	\$ 106.5	\$ 16.9	16%
Domestic	114.8	101.6	13.2	13%	113.7	99.5	14.2	14%
International	9.7	7.0	2.7	38%	9.7	7.0	2.7	38%
<b>Net commissions</b>	16.0	16.1	(0.1)	(1%)	16.0	16.1	(0.1)	(1%)
Gross commissions	20.2	21.3	(1.1)	(5%)	20.2	21.3	(1.1)	(5%)
Amortization of representation rights	(4.2)	(5.2)	1.0	-20%	(4.2)	(5.2)	1.0	-20%
<b>Other services</b>	1.9	2.1	(0.2)	(12%)	1.9	2.1	(0.2)	(12%)
<b>Revenue</b>	\$ 142.3	\$ 126.8	\$ 15.5	12%	\$ 141.3	\$ 124.7	\$ 16.5	13%

(1) See "Non-IFRS Financial Measures"

(2) Certain comparative information has been reclassified to conform to the current year's presentation.

Organic revenue growth is calculated by excluding case goods revenue from brands disposed of or acquired during the current period from both the current and comparable prior periods. This approach ensures a like-for-like comparison by removing the impact of portfolio changes that did not apply in the prior period. For the three and six-month periods ended December 31, 2025, organic revenue growth excludes revenue from Ace Hill and Liberty Village brands, which were disposed of in October 2025. Organic revenue growth is not a standardized financial measure and might not be comparable to similar measures disclosed by other issuers (refer to the "Non-IFRS Financial Measures" section of this MD&A).

Case Goods revenue increased \$6.2 million or 12% and increased \$15.9 million, or 15%, for the three and six-month period ended December 31, 2025, respectively, when compared to the same period last year, despite the sale of Ace Hill and Liberty Village brands in October 2025. Excluding the contributions from these brands, organic case goods revenue increased \$6.9 million or 13% and increased \$16.9 million or 16% in the three and six-month period ended December 31, 2025, respectively, when compared to the same period last year, driven by strong

revenue growth generated from Corby's RTD business expansion, capitalizing on the strong momentum on pipeline fill for new retail channels in Ontario, further expansions into Western Canada, and innovation launches.

Organic revenue performance also benefited from strong international shipment recovery, particularly with the renewed pipeline fill to Turkey, as well as bounce backs in shipments to the UK and US. These gains were partially offset by lower commissions income, as represented wines cycled a strong Q2 and H1 in fiscal 2025, which had benefitted from significant pipeline fill in grocery and convenience channels following the RTM modernization in Ontario.

Total commissions reached \$7.8 million, declining by \$0.7 million, or 8%, in the three-months ending December 31, 2025 and reached \$16.0 million, declining by \$0.1 million, or 1%, in the six-month period ended December 31, 2025, compared to the prior year. Performance in both periods was driven by wines lapping the pipeline fill to support the RTM modernization in Ontario in the comparison period and sparkling wine products being negatively impacted by retaliatory trade measures against US-origin products, partially offset by stronger sales on some imported brands benefitting from the above-mentioned trade measures. Retail performance on PR spirits continued to outpace the overall market, as the portfolio benefitted from its comprehensive positioning across price bands and categories along with PR's investment to build these brands in Canada.

Other services represent ancillary revenue incidental to Corby's core business activities, such as logistical fees, merchandise sales, and occasional bulk whisky sales. Revenue from other services decreased \$0.2 million or 21% and decreased \$0.2 million or 12% in the three and six-month period ended December 31, 2025, respectively, when compared to the same period last year.

As a result, total revenue increased \$5.3 million or 9% and increased \$15.5 million, or 12%, while organic revenue grew \$6.0 million or 10% and grew \$16.5 million, or 13%, during the three and six-month periods ended December 31, 2025, respectively, when compared to the same period last year.

### ***Cost of sales***

Cost of sales increased \$4.6 million or 15% and increased \$11.3 million, or 18%, for the three and six-month period ended December 31, 2025, respectively, when compared to the same period last year. This increase reflects the impact of Corby's evolving portfolio and channel mix, notably the strong growth in Ace Beverage Group brands shipments, which accounted for 49% and 60% of total case goods volume in the three and six months ended December 31, 2025, respectively, up from 47% and 56% in the same period last year. The higher RTD composition drove elevated production costs relative to volume, as well as higher distribution costs to direct delivery to grocery and convenience channels. In the six months ended December 31, 2025, the comparison basis was impacted by the inclusion of \$0.6 million in fair value adjustments to inventory acquired through the Nude acquisition in the first quarter of fiscal 2025. Corby continues to actively manage revenue growth through pricing strategies and trade promotion optimization across key provinces to mitigate cost pressures.

### ***Marketing, sales and administration***

Marketing, sales and administration expenses increased \$0.2 million or 1% and increased \$2.2 million, or 6%, for the three and six-month period ended December 31, 2025, respectively, primarily reflecting the higher investments into ABG brands through trade support into grocery and convenience channels, off a very low base last year due to the LCBO labour strike, and diligent overheads management. Corby strategically focused marketing investments on the RTD portfolio and the J.P. Wiser's multi-year Canadian partnership with National Hockey League.

### ***Net financial expense***

Net financial expense decreased \$0.3 million or 14% and decreased \$0.1 million or 2% for the three and six-month period ended December 31, 2025, respectively. Corby accrued \$0.3 million and \$0.6 million in interest on the NCI obligation during the three and six months ended December 31, 2025, respectively, compared to \$0.5 million and \$1.0 million in the same respective periods last year. In the six months ended December 31, 2025, this was partially offset by the recognition of a \$0.5 million fair market value adjustment on the NCI obligation related to the ABG acquisition in the first quarter.

Additionally, on June 12, 2023, to provide financing for the completion of the ABG acquisition, Corby entered into a loan agreement with PR, with a balance of \$96.0 million remaining outstanding as of December 31, 2025. Corby has incurred interest charges of \$1.4 million and \$2.8 million on this loan agreement during the three months ended and six months ended December 31, 2025, respectively, against \$1.5 million and \$3.2 million in the respective comparable periods last year.

Net financial expense also reflects interest earned on deposits in cash management pools as well as interest expense associated with the Company's pension and post-retirement benefit plans, and interest charges on credit facilities and on leased assets.

### **Income taxes**

A reconciliation of the effective tax rate to the statutory rates for each period is presented below. Non-deductible expenses for taxation purposes include the fair value adjustment on the NCI obligation, interest accrued on the NCI obligation, the non-taxable portion of capital gains on ABG's brand sale, and the non-deductible portion of meals and entertainment expenditures.

	Three Months Ended		Six Months Ended	
	Dec. 31,	Dec. 31,	Dec. 31,	Dec. 31,
	2025	2024	2025	2024
Combined basic Federal and Provincial tax rates	26.4%	26.4%	26.4%	26.4%
Non-deductible expenses for taxation purposes	(0.3%)	1.3%	0.8%	1.3%
Other	0.6%	0.3%	0.3%	0.4%
Effective tax rate	26.7%	28.0%	27.5%	28.1%

### **Liquidity, Contractual Obligations and Capital Resources**

At December 31, 2025, Corby's sources of liquidity are its cash of \$2.1 million, deposits in cash management pools of \$21.8 million, its cash generated from operating activities, and available credit on its revolving operating facility of \$15.0 million. A summary of the maturity of the Company's contractual obligations as at December 31, 2025 are represented in the table below:

<i>(in millions of Canadian dollars)</i>	Less than 1 year		1 to 5 years	5 years and thereafter	Total
Accounts payables and accrued liabilities	\$	66.3	\$	-	\$ 66.3
Lease liabilities		2.0		4.2	7.6
Long-term debt		-		96.0	96.0
Non-controlling interest obligation		-		10.1	10.1
<b>Total</b>	<b>\$</b>	<b>68.3</b>	<b>\$</b>	<b>14.3</b>	<b>\$ 97.4</b>

The Company believes that its deposits in cash management pools, combined with its historically strong operational cash flows, provide for sufficient liquidity to fund its operations, investing activities and commitments for the foreseeable future. The Company's cash flows from operations are subject to fluctuation due to commodity, foreign exchange and interest rate risks. Please refer to the "Risks & Risk Management" section of this MD&A for further information.

## Cash Flows

(in millions of Canadian dollars)	Three Months Ended			Six Months Ended		
	Dec. 31,	Dec. 31,		Dec. 31,	Dec. 31,	
	2025	2024	\$ Change	2025	2024	\$ Change
<b>Operating activities</b>						
Net earnings, adjusted for non-cash items	\$ 16.9	\$ 17.2	\$ (0.3)	\$ 37.2	\$ 36.0	\$ 1.2
Net change in non-cash working capital	18.5	16.3	2.2	9.9	5.0	5.0
Net payments for interest and income taxes	(4.0)	(1.6)	(2.4)	(10.1)	(5.4)	(4.7)
	31.4	31.9	(0.5)	37.0	35.6	1.5
<b>Investing activities</b>						
Additions to property and equipment	(0.4)	(0.8)	0.4	(1.0)	(1.0)	0.0
Additions to intangible assets	(0.1)	0.0	(0.0)	(0.1)	(0.1)	0.1
Proceeds from representation rights	3.3	-	3.3	3.3	-	3.3
Proceeds from sale of brand trademarks	3.0	-	3.0	3.0	-	3.0
Exercise of option to partially acquire non-controlling interest	(9.3)	-	(9.3)	(9.3)	-	(9.3)
(Deposits in) withdrawals from cash management pools	(16.7)	(12.6)	(4.1)	(6.1)	3.4	(9.5)
	(20.2)	(13.5)	(6.7)	(10.1)	2.2	(12.3)
<b>Financing activities</b>						
Proceeds from note receivable	0.1	-	0.1	0.1	-	0.1
Payment of lease liabilities	(0.6)	(0.5)	(0.0)	(1.1)	(0.9)	(0.2)
Repayment of bank debt	-	-	-	(3.5)	-	(3.5)
Repayments of credit facilities payable	-	(5.3)	5.3	(1.5)	(15.6)	14.1
Repayments on long-term debt	(6.0)	(6.0)	-	(6.0)	(12.0)	6.0
Dividends paid	(6.5)	(6.2)	(0.3)	(13.1)	(12.5)	(0.6)
	(13.0)	(18.0)	5.0	(25.0)	(41.0)	16.0
Net change in cash	(1.8)	0.4	(2.2)	1.9	(3.2)	5.1
Cash, beginning of the period	3.9	1.0	2.8	0.2	4.6	(4.5)
<b>Cash, end of period</b>	\$ 2.1	\$ 1.4	\$ 0.7	\$ 2.1	\$ 1.4	\$ 0.7

### Operating activities

Net cash from operating activities was \$31.4 million during the quarter ended December 31, 2025, compared to \$31.9 million for the same three-month period last year, reflecting a slight decrease of \$0.5 million. The current year quarter benefited from favourable working capital movements in accounts receivable and accounts payable. However, this favourability was fully offset by increased income tax payments, as the comparable quarter last year benefitted from an income tax refund.

For the six months ended December 31, 2025, net cash generated from operating activities was \$37.0 million, reflecting an increase of \$1.5 million compared to the same period last year. Operating cash flow generation in the current six-month period was driven by higher earnings from operations and favourable changes to working capital. Working capital generated \$9.9 million in cash during the quarter, an increase in cash generated of \$5.0 million compared to the same period last year, reflecting favourable movements in accounts receivable and accounts payable due to timing of collections and payments. This was partially offset by an increase in income taxes paid, and is reflective of payments made on ABG's fiscal 2025 income tax filings as well as cycling an income tax refund received in the prior year period that did not re-occur during the current six-month period.

### Investing activities

Net cash used in investing activities was \$20.2 million for the quarter ended December 31, 2025 compared to \$13.5 million cash used in the same period of the prior year, representing an increase in cash used of \$6.7 million. Net cash used from investing activities for the six month period ended December 31, 2025 was \$10.1 million compared to \$2.2 million cash generated in the prior year period.

Investing activities include the October 10, 2025 payment of \$9.3 million to the minority shareholders of Ace Holdco as a result of Corby exercising its call option provided for in the shareholder agreement between Corby,

Ace Holdco and the minority shareholders of Ace Holdco dated July 4, 2023 to purchase 5% of the issued and outstanding shares of ABG and increasing its ownership of Ace Holdco to 95%.

During the three- and six- month period ending December 31, 2025, Corby recognized proceeds of \$3.3 million related to PR's disposal of its international strategic wine brands to Australian Wine Holdco Limited. As the wine brands impacted by this transaction were included in Corby's representation agreement with PR, PR refunded Corby the unused portion of the upfront fee, as required under the agreement.

In addition, on October 6, 2025, Corby's subsidiary ABG sold certain non-core brands, Ace Hill beer, Ace Hill RTDs, and Liberty Village Dry Cider, to Twenty Bench Brewing Company ("TBBC"). As part of this transaction Corby received cash proceeds of \$3.0 million (in addition to a note receivable and inventory sale receivable). Please refer to Note 6 of the interim condensed consolidated financial statements for the three- and six-month period ended December 31, 2025 for more information.

Investing activities also include investments in property and equipment and intangible assets and cash inflows from Corby's cash management pools in all periods presented.

Cash management pools represent cash on deposit with Citibank NA via Corby's Mirror Netting Service Agreement (defined below) with PR. Corby has daily access to these funds and earns a market rate of interest from PR on its deposits. Changes in cash management pools reflect amounts either deposited in or withdrawn from these bank accounts and are simply a function of Corby's cash requirements during the period. For more information related to these deposits and the definition of "Mirror Netting Service Agreement", please refer to the "Related Party Transactions" section of this MD&A.

### ***Financing activities***

Financing activities includes such items as dividend payments, payments on lease obligations, repayments of long-term debt, repayments on credit facilities payable, and proceeds from ABG's note receivable. For the quarter ended December 31, 2025, cash used in financing activities totalled \$13.0 million which primarily included \$6.0 million in repayments on Corby's term loan with PR, and dividend payments of \$6.5 million. Comparatively, cash used in financing activities for the quarter ended December 31, 2024, was \$18.0 million which included \$6.0 million in repayments on Corby's long-term loan with PR, repayments of ABG's credit facilities of \$5.3 million, payments on lease obligations of \$0.5 million, and dividend payments of \$6.2 million.

For the six-months ended December 31, 2025, cash used in financing activities totalled \$25.0 million which included \$6.0 million in repayments on Corby's term loan with PR, payments made to reduce ABG's outstanding bank indebtedness and credit facilities of \$3.5 million and \$1.5 million, respectively, dividend payments of \$13.1 million and payments on Corby's lease obligations of \$1.1 million. This was slightly offset by proceeds received on ABG's note receivable of \$0.1 million. Comparatively, cash used in financing activities for the six-month period ended December 31, 2024, was \$41.0 million and reflected \$12.0 million in repayments on Corby's term loan with PR, payments made to reduce ABG's outstanding credit facilities of \$15.6 million, dividend payments of \$12.5 million and payments on Corby's lease obligations of \$0.9 million.

On February 11, 2026, Corby's Board of Directors declared its regular quarterly dividend of \$0.24 per common share, an increase of \$0.01, or +4.3% from the previous quarterly dividend of \$0.23 per share. This dividend is payable on March 11, 2026 to shareholders of record as at the close of business on February 25, 2026. The Board of Directors assesses the dividend on a quarterly basis. Previous to this announcement, the quarterly dividend was last increased concurrent with the release of Q2 FY25 results.

The following table summarizes dividends paid and payable by the Company over the last three fiscal years:



For	Declaration date	Record Date	Payment date	\$ / Share
2026 - Q2	February 11, 2026	February 25, 2026	March 11, 2026	\$ 0.24
2026 - Q1	November 12, 2025	November 28, 2025	December 19, 2025	0.23
2025 - Q4	August 20, 2025	September 10, 2025	September 26, 2025	0.23
2025 - Q3	May 14, 2025	May 28, 2025	June 11, 2025	0.23
2025 - Q2	February 12, 2025	February 26, 2025	March 12, 2025	0.23
2025 - Q1	November 13, 2024	November 29, 2024	December 18, 2024	0.22
2024 - Q4	August 21, 2024	September 11, 2024	September 27, 2024	0.22
2024 - Q3	May 9, 2024	May 29, 2024	June 12, 2024	0.21
2024 - Q2	February 7, 2024	February 27, 2024	March 13, 2024	0.21
2024 - Q1	November 8, 2023	November 24, 2023	December 8, 2023	0.21
2023 - Q4	August 23, 2023	September 15, 2023	September 29, 2023	0.21
2023 - Q3	May 8, 2023	May 23, 2023	June 6, 2023	0.21

## Outstanding Share Data

As at December 31, 2025, Corby had 24,274,320 Voting Class A Common Shares and 4,194,536 Non-Voting Class B Common Shares outstanding. The Company does not have a stock option plan, and therefore, there are no options outstanding.

## Related Party Transactions

### *Transactions with parent, ultimate parent, and affiliates*

The majority of Corby's issued and outstanding Voting Class A shares are owned by HWSL. HWSL is a wholly-owned subsidiary of PR. Therefore, HWSL is Corby's parent and PR is Corby's ultimate parent. Affiliated companies are subsidiaries, which are controlled by Corby's parent and/or ultimate parent.

Corby engages in a significant number of transactions with its parent company, its ultimate parent and various affiliates. Specifically, Corby renders services to its parent company, its ultimate parent, and affiliates for the marketing and sale of beverage alcohol products in the Canadian market. Furthermore, Corby outsources the large majority of its distilling, maturing, storing, blending, bottling and related production activities to its parent company, HWSL. A significant portion of Corby's bookkeeping, recordkeeping services, data processing and other administrative services are also outsourced to HWSL. Significant transactions with the parent company, ultimate parent and affiliates are subject to Corby's related party transaction policy, which requires such transactions to undergo an extensive review and require approval from an Independent Committee of the Board of Directors.

The companies operate under the terms of agreements that initially became effective on September 29, 2006 (the "2006 Agreements"). These agreements provide the Company with the exclusive right to represent PR's brands in the Canadian market, as well as providing for the continuing production of certain Corby brands by PR at its production facility in Windsor, Ontario. Certain officers of Corby have been appointed as directors and officers of PR's North American entities, as approved by Corby's Board of Directors.

The 2006 Agreements have been amended and renewed, as follows:

- On August 26, 2015, Corby entered into an agreement with PR and certain affiliates amending the September 29, 2006 Canadian representation agreements, pursuant to which Corby agreed to provide more specialized marketing, advertising and promotion services for the PR and affiliate brands under the applicable representation agreements in consideration of an increase to the rate of commission payable to Corby by such entities.
- On November 11, 2015, Corby and PR entered into agreements for the continued production and bottling of Corby's owned-brands by PR at the HWSL production facility in Windsor, Ontario, for a 10- year term commencing December 31, 2016. On the same date, Corby and PR entered into an administrative services agreement, under which Corby agreed to continue to manage certain of PR's business interests in Canada, with a similar term and commencement date. Corby's role managing the HWSL production

facility ended on June 30, 2020 but the rest of the services contemplated by the administrative services agreement continue to be provided and are governed by that agreement.

On September 24, 2020, Corby renewed its exclusive right to represent PR's brands in Canada for a further five years and three months, effective July 1, 2021 until September 29, 2026, with a potential for automatic renewal for a further three years thereafter, subject to the achievement of performance criteria (the "2021 Agreement"). The end of the term of the new Canadian representation agreement aligns with those of existing production and administrative services agreements with PR, renewed in 2016. The 2021 Agreement required a payment of an up-front fee of \$54.5 million which was paid September 28, 2021, which Corby funded through its deposits in cash management pools. Since the 2021 Agreement was a related party transaction, the agreement was approved by the Independent Committee of the Corby Board of Directors, in accordance with Corby's related party transaction policy.

On September 24, 2025, the 2021 Agreement was amended to provide for continued discussion and negotiation concerning renewal. The Company and the Corby Board of Directors are actively engaged in ongoing discussions with PR related to the renewal of the 2006 agreements, including the representation, services, distillate, and co-pack agreements.

On June 12, 2023, Corby entered into a loan agreement with PR with a total available credit amount of \$120 million. The loan provided Corby with the required funding to complete the ABG acquisition which closed on July 4, 2023. The loan bears interest at a fixed rate of 5.43% per annum and matures June 20, 2033. Interest is payable on a quarterly basis. The term loan along with any accrued interest is due in full at the maturity date, June 20, 2033, with Corby provided the option to voluntarily make partial or total repayment at any time before the maturity date. The loan agreement is on arm's-length terms at market rates and, as it was a related party transaction, was approved by Corby's Independent Committee of the Board of Directors, with external financial and legal advice.

PR also represents certain Corby-owned brands in the UK. On March 21, 2016, the Company entered into an agreement with Pernod Ricard UK Ltd. ("PRUK"), an affiliated company, which provides PRUK the exclusive right to represent Lamb's rum in Great Britain effective July 1, 2016. On March 28, 2019 the agreement was amended to include Ungava gin. The agreement was amended again on March 21, 2021 to modify the list of products represented by PRUK and to extend the term of the agreement for a five-year period ending June 30, 2026.

On July 17, 2024, PR announced the sale of its international strategic wine brands to Australian Wine Holdco Limited, which closed effective on April 30, 2025. The transaction includes the sale of a wide portfolio of international wine brands owned and produced by Pernod Ricard Winemakers, including Jacob's Creek®; Stoneleigh®, Brancott Estate®, and Campo Viejo®. Corby continued to represent these brands in Canada during a transition period that ended August 31, 2025 under the same terms as those contained in the PR representation agreement. On August 29, 2025, Corby announced the signing of a new agreement with Vinarchy North America Incorporated, a subsidiary of Australian Wine Holdco Limited, effective September 1, 2025, to continue its exclusive representation of the above-mentioned brands in Canada for two years, subject to terms of the agreement.

### ***Deposits in cash management pools***

Corby participates in a cash pooling arrangement under a Mirror Netting Service Agreement, together with PR's other Canadian affiliates, the terms of which are administered by Citibank N.A. effective July 17, 2014 (the "Mirror Netting Service Agreement"). The Mirror Netting Service Agreement acts to aggregate each participant's net cash balance for purposes of having a centralized cash management function for all of PR's Canadian affiliates, including Corby. As a result of Corby's participation in this agreement, Corby's credit risk associated with its deposits in cash management pools is contingent upon PR's credit rating. PR's credit rating as at February 11, 2026, as published by Standard & Poor's and Moody's, was BBB+ and Baa1, respectively. PR compensates Corby for the benefit it receives from having the Company participate in the Mirror Netting Service Agreement by paying interest to Corby. During the three and six month periods ended December 31, 2025, Corby earned market rates of interest, based upon the 30-day Canadian Overnight Repo Rate ("CORRA") plus 0.75% on its deposits in cash management pools. Corby accesses these funds on a daily basis and has the contractual right to withdraw these funds or terminate these cash management arrangements upon providing five days' written notice.

## Selected Quarterly Information

### Summary of Quarterly Financial Results

Seasonality factors cause Corby's operating results to fluctuate from quarter to quarter. Spirits sales typically are strong in the first and second fiscal quarters, while third-quarter sales usually are lower after the end of the retail holiday season. Fourth-quarter spirits sales typically increase again with the onset of warmer weather as consumers tend to increase their purchasing levels during the summer season. In contrast, the RTD segment benefits from outdoor gatherings and warmer months, leading typically to stronger sales in the first and fourth fiscal quarters, during the spring and summer.

The following table provides selected historical information and other data, which should be read in conjunction with the financial statements of the Company.

<i>(in millions of Canadian dollars, except per share amounts)</i>	<b>Q2</b>	Q1	Q4	Q3	<b>Q2</b>	Q1	Q4	Q3
	<b>2026</b>	2026	2025	2025	<b>2025</b>	2025	2024	2024
Revenue	\$ <b>66.9</b>	\$ 75.4	\$ 72.0	\$ 48.0	\$ <b>61.7</b>	\$ 65.1	\$ 66.5	\$ 48.5
Earnings from operations	<b>13.8</b>	16.4	10.4	7.7	<b>13.0</b>	15.0	8.7	9.2
Adjusted Earnings from operations <sup>(1)</sup>	<b>13.8</b>	16.5	11.5	7.7	<b>13.0</b>	15.6	9.2	9.2
Adjusted EBITDA <sup>(1)</sup>	<b>17.3</b>	20.3	15.6	11.7	<b>17.2</b>	19.5	13.3	13.0
Cash flow from operating activities	<b>31.4</b>	5.6	15.5	(6.3)	<b>31.9</b>	3.7	16.9	(6.5)
Net earnings	<b>8.8</b>	10.2	6.2	4.0	<b>7.9</b>	9.3	4.8	4.3
Basic EPS	<b>0.31</b>	0.36	0.22	0.14	<b>0.28</b>	0.33	0.17	0.15
Diluted EPS	<b>0.31</b>	0.36	0.22	0.14	<b>0.28</b>	0.33	0.17	0.15
Adjusted Net earnings <sup>(1)</sup>	<b>9.1</b>	11.0	7.5	4.5	<b>8.4</b>	10.2	5.4	5.6
Adjusted Basic EPS <sup>(1)</sup>	<b>0.32</b>	0.39	0.26	0.16	<b>0.30</b>	0.36	0.19	0.20
Adjusted Diluted EPS <sup>(1)</sup>	<b>0.32</b>	0.39	0.26	0.16	<b>0.30</b>	0.36	0.19	0.20

<sup>(1)</sup> See "Non-IFRS Financial Measures".

### Critical Accounting Estimates

These interim condensed consolidated financial statements have been prepared in accordance with IFRS using the accounting policies described in Note 4 of the annual audited consolidated financial statements for the year ended June 30, 2025 as well as in the Company's annual MD&A. The preparation of the interim condensed consolidated financial statements in conformity with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Critical judgements, estimates and assumptions used in applying the Company's accounting policies are outlined in Note 2 of the annual audited consolidated financial statements for the year ended June 30, 2025 and have been applied consistently in the preparation of these condensed consolidated interim financial statements except for the impact of the adoption of the new and revised standards and interpretations described below, and the judgements and estimates described in Note 6 "Note Receivable" to the interim condensed consolidated financial statements for the three- and six-month period ended December 31, 2025.

Estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Estimates are made on the assumption the Company will continue as a going concern and are based on information available at the time of preparation. Estimates may be revised where the circumstance on which they were based change or where new information becomes available. Future outcomes can differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to

accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. These accounting policies and accounting estimates are critical to the understanding of the business and to the results of operations. For the three- and six-month period ended December 31, 2025, there were no material changes to the critical accounting estimates used by the Company from those reported in the annual MD&A and annual financial statements for the year ended June 30, 2025

## Recent Accounting Pronouncements

### Recent accounting pronouncements in effect

The following new accounting standard is effective for the financial period ended December 31, 2025, but was not applicable to Corby:

	New or Revised Pronouncement	Effective Date	Company Effective Date
Amendments to IAS 21	<i>Lack of exchangeability of currencies</i>	January 1, 2025	July 1, 2025

### Recent accounting pronouncements not in effect

The below standards and amendments to standards have been issued but are not yet effective for the financial period ending December 31, 2025, and accordingly, have not been applied in preparing the interim condensed consolidated financial statements:

#### a) IFRS 18, *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued a new standard IFRS 18 “Presentation and Disclosure in Financial Statements” that will replace IAS 1 “Presentation of Financial Statements”. This new standard introduces newly defined subtotals on the statement of earnings, new requirements for classification of information, and disclosure of Management Performance Measures in the financial statements. This new standard is effective for annual reporting periods beginning on or after January 1, 2027. For Corby, the amendment will become effective July 1, 2027. The Company is currently assessing the impact that the new standard will have on its financial statements and disclosures.

Other upcoming standards and amendments to standards that are not expected to have an impact on the Company’s disclosures and financial results are as follows:

	New or Revised Pronouncement	Effective Date	Company Effective Date
Amendments to IFRS 9 and IFRS 7	<i>Classification and measurement of financial instruments</i>	January 1, 2026	July 1, 2026
Amendments to IFRS 9 and IFRS 7	<i>Power purchase arrangements</i>	January 1, 2026	July 1, 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	<i>Annual Improvements to IFRS Accounting Standards - Volume 11</i>	January 1, 2026	July 1, 2026
IFRS 19	<i>Subsidiaries without public accountability: disclosures</i>	January 1, 2027	July 1, 2027
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i>	January 1, 2027	July 1, 2027
Amendments to IFRS S2	<i>Amendments to Greenhouse Gas Emissions Disclosures</i>	January 1, 2027	July 1, 2027

## Internal Controls Over Financial Reporting

The Company maintains a system of disclosure controls and procedures to provide reasonable assurance that all material information relating to the Company is gathered and reported to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

In addition, the CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be designed

effectively can provide only reasonable assurance with respect to financial reporting and financial statement preparation.

Management, with the participation of the CEO and CFO, has evaluated the effectiveness of the Company's internal controls over financial reporting as at December 31, 2025, and has concluded that internal control over financial reporting is designed and operating effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management's assessment was based on the framework established in Internal Control - Integrated Framework (2013), published by the Committee of Sponsoring Organizations of the Treadway Commission.

There were no changes in internal control over financial reporting during the Company's most recent interim period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

### **Non-IFRS Financial Measures**

In addition to using financial measures prescribed under IFRS, references are made in this MD&A to "Adjusted Earnings from Operations", "Adjusted Net Earnings", "Adjusted Basic Earnings per Share", "Organic Revenue", "Adjusted Diluted Earnings per Share", "Adjusted EBITDA", "Total debt", and "Net debt" which are non-IFRS financial measures. Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers.

To better understand our underlying business performance and trends, Corby uses certain non-IFRS financial measures, which management believes, are important supplemental measures of operating performance and highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes these measures allow for the measurement of the underlying financial performance of the business.

**Adjusted Earnings from Operations** is equal to earnings from operations before interest and taxes for the period adjusted to remove portfolio rationalization costs related to the disposal of some non-core brands; in the six months ended December 31, 2024, adjusted to remove the costs incurred for business combination inventory fair value adjustments.

**Adjusted Net Earnings** is equal to net earnings for the period adjusted to remove the portfolio rationalization costs related to the disposal of some non-core brands, the notional interest charges related to NCI obligation, and the fair value adjustments of the NCI obligation net of tax calculated using the effective tax rate; in the six months ended December 31, 2024, adjusted to remove the costs incurred for business combination inventory fair value adjustments, and in the three and six-month periods ended December 31, 2024, the NCI obligation net of tax calculated using the effective tax rate.

**Organic revenue** growth is measured as the difference between revenue excluding case goods revenue from acquired or disposed brands compared to revenue in the preceding fiscal period during which the acquisition or disposal had not yet occurred.

**Adjusted EBITDA** refers to Adjusted Earnings from Operations adjusted to remove amortization and depreciation disclosed in Corby's financial statements.

**Total Debt** refers to debt of the Company, which includes bank indebtedness and credit facilities payable, lease liabilities and long-term debt.

**Net Debt** refers to the cash and deposits in cash management pools of the Company, less bank indebtedness and credit facilities payable and long-term debt.

These non-IFRS financial measures exclude the costs incurred from portfolio rationalization costs related to disposals, fair value adjustments to inventory related to business combinations in the comparative period and are described as "Adjusted". At the Net Earnings level, non-IFRS financial measures also exclude the notional interest charges related to the NCI obligation, as well as the fair value adjustments of the NCI obligation.

Costs incurred in relation to portfolio rationalization, including but not limited to the disposal of product lines following a strategic portfolio review, have been adjusted in Adjusted Earnings from Operations, and interest costs incurred in relation to the NCI obligation along with the aforementioned costs and has been adjusted in Adjusted Net Earnings. Management believes the exclusion of these costs allows for the measurement of the underlying financial performance of the business on a more consistent basis.

To reiterate, Management believes the non-IFRS measures defined above are important supplemental measures of operating performance and highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes that these measures allow for assessment of the Company's operating performance and financial condition on a basis that is more consistent and comparable between reporting periods. Using these non-IFRS measures allows management to more concisely describe the key factors that have impacted Corby's financial results.

### Reconciliation Tables

The following table presents a reconciliation of Earnings from Operations to Adjusted Earnings from Operations and Adjusted EBITDA, as well as Net Earnings to Adjusted Net Earnings, being their most directly comparable financial measures prescribed by IFRS for the three and six-month periods ended December 31, 2025 and 2024:

(in millions of Canadian dollars)	Three months ended				Six months ended			
	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change
<b>Earnings from operations</b>	\$ 13.8	13.0	\$ 0.8	6%	\$ 30.3	28.0	\$ 2.2	8%
Adjustments:								
Portfolio rationalization costs <sup>1</sup>	(0.0)	-	(0.0)	n/a	-	-	-	n/a
Fair value adjustment to inventory <sup>2</sup>	-	-	-	n/a	-	0.6	(0.6)	(100%)
<b>Adjusted Earnings from operations</b>	\$ 13.8	13.0	\$ 0.8	6%	\$ 30.3	28.6	\$ 1.6	6%
Adjusted for Depreciation and amortization	3.5	4.1	(0.7)	(16%)	7.3	8.1	(0.8)	(10%)
<b>Adjusted EBITDA</b>	\$ 17.3	17.2	\$ 0.1	1%	\$ 37.6	36.7	\$ 0.9	2%
<b>Net earnings</b>	\$ 8.8	7.9	\$ 0.9	12%	\$ 19.0	17.2	\$ 1.8	11%
Adjustments:								
Portfolio rationalization costs <sup>1</sup>	(0.0)	-	(0.0)	n/a	-	-	-	n/a
Fair value adjustment to inventory <sup>2</sup>	-	-	-	n/a	-	0.4	(0.4)	(100%)
NCI Obligation <sup>3</sup>	0.3	0.5	(0.2)	(42%)	0.6	1.0	(0.4)	(42%)
Fair value adjustment to NCI Obligation <sup>4</sup>	-	-	-	n/a	0.5	-	0.5	n/a
<b>Adjusted Net earnings</b>	\$ 9.1	8.4	\$ 0.7	8%	\$ 20.1	18.6	\$ 1.5	8%

(1) Costs related to rationalizing brand portfolio, including costs incurred to dispose or discontinue product lines following strategic portfolio review

(2) Costs related to fair value adjustments to inventory due to business combination

(3) Notional interest costs related to non-controlling interest obligation for ABG

(4) Costs related to fair value adjustmentst to non-controlling interest obligation for ABG

The following table presents a reconciliation of total debt and net debt to their most directly comparable financial measures as at December 31, 2025 and 2024:

(in millions of Canadian dollars)	Dec. 31, 2025	Dec. 31, 2024
Credit facilities payable	\$ -	(2.2)
Lease liabilities	(7.6)	(4.1)
Long-term debt	(96.0)	(108.0)
<b>Total debt</b>	\$ (103.6)	(114.3)
Cash	\$ 2.1	1.4
Deposits in cash management pools	21.8	24.0
Credit facilities payable	-	(2.2)
Long-term debt	(96.0)	(108.0)
<b>Net debt</b>	\$ (72.1)	(84.8)

The following table presents a reconciliation of total organic revenue and organic domestic case goods revenue to their most directly comparable financial measures for the three-and-six-month periods ended December 31, 2025, and 2024:

(in millions of Canadian dollars)	Three months ended				Six months ended			
	Dec. 31 2025	Dec. 31 2024 <sup>(1)</sup>	\$ Change	% Change	Dec. 31 2025	Dec. 31 2024 <sup>(1)</sup>	\$ Change	% Change
<b>Case Goods - Domestic Revenue</b>	<b>\$ 53.4</b>	48.2	5.2	11%	<b>\$ 114.8</b>	101.6	13.2	13%
Adjusted for revenue from acquired or disposed brands	(0.0)	(0.8)	0.7	(94%)	(1.0)	(2.0)	1.0	(49%)
<b>Case Goods - Domestic Organic Revenue</b>	<b>\$ 53.4</b>	47.4	5.9	12%	<b>\$ 113.7</b>	99.5	14.2	14%
<b>Case Goods - International Revenue</b>	<b>4.8</b>	3.8	0.9	25%	<b>9.7</b>	7.0	2.7	38%
<b>Net commissions</b>	<b>7.8</b>	8.4	(0.7)	(8%)	<b>16.0</b>	16.1	(0.1)	(1%)
<b>Other services</b>	<b>0.9</b>	1.2	(0.2)	(21%)	<b>1.9</b>	2.1	(0.2)	(12%)
<b>Total Organic Revenue</b>	<b>\$ 66.9</b>	60.9	6.0	10%	<b>\$ 141.3</b>	124.7	16.5	13%

<sup>(1)</sup> Certain comparative information has been reclassified to conform to the current year's presentation.

The following table presents a reconciliation of adjusted EBITDA to their most directly comparable financial measures from the three months ended December 31, 2025, to the three months ended March 31, 2024:

(in millions of Canadian dollars)	Three months ended							
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024
<b>Earnings from operations</b>	<b>\$ 13.8</b>	16.4	10.4	7.7	<b>\$ 13.0</b>	15.0	8.7	9.2
<b>Adjustments:</b>								
Transaction related costs <sup>1</sup>	-	-	-	-	-	-	0.6	-
Portfolio rationalization costs <sup>2</sup>	(0.0)	0.0	0.8	-	-	-	-	-
Restructuring costs <sup>3</sup>	-	-	0.3	-	-	-	(0.3)	-
Fair value adjustment to inventory <sup>4</sup>	-	-	-	-	-	0.6	0.2	-
<b>Adjusted Earnings from operations</b>	<b>\$ 13.8</b>	16.5	11.5	7.7	<b>\$ 13.0</b>	15.6	9.2	9.2
Adjusted for depreciation & amortization	3.5	3.8	4.1	4.1	4.1	3.9	4.1	3.8
<b>Adjusted EBITDA</b>	<b>\$ 17.3</b>	20.3	15.6	11.7	<b>\$ 17.2</b>	19.5	13.3	13.0

<sup>(1)</sup> Costs related to the acquisitions of ABG and Nude Beverages brands

<sup>(2)</sup> (Reversal of) Costs related to rationalizing brand portfolio, including costs incurred to dispose or discontinue product lines following strategic portfolio review

<sup>(3)</sup> (Income) / costs related to organizational restructuring and provisions

<sup>(4)</sup> Costs related to fair value adjustments to inventory due to business combination

## Non-IFRS Financial Ratios

In addition to using financial ratios prescribed under IFRS, references are made in this MD&A to “Adjusted Basic Net Earnings Per Share”, “Adjusted Diluted Net Earnings Per Share” and “Dividend Payout Ratio” which are non-IFRS financial ratios. Non-IFRS financial ratios do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar ratios presented by other issuers.

**“Adjusted Basic Net Earnings Per Share”** is computed in the same way as basic net earnings per share, using the aforementioned Adjusted Net Earnings non-IFRS financial measure in place of reported Net Earnings.

**“Adjusted Diluted Net Earnings Per Share”** is computed in the same way as diluted net earnings per share, using the aforementioned Adjusted Net Earnings non-IFRS financial measure in place of reported Net Earnings.

**Dividend Payout Ratio** refers to dividends paid during the past twelve-month period ending December 31, 2025, divided by Cash flow from operating activities for the twelve-month period ending December 31, 2025.

Management believes the non-IFRS ratios defined above are important supplemental measures of operating performance and highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management believes that these measures allow for assessment of the Company's

operating performance and financial condition on a basis that is more consistent and comparable between reporting periods.

### Reconciliation Tables

The following table presents a reconciliation Adjusted Basic Net Earnings Per Share and Adjusted Diluted Net Earnings Per Share to their most directly comparable financial measures for the three months and six-month periods ended December 31, 2025, and 2024:

(in Canadian dollars)	Three months ended				Six months ended			
	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change	Dec. 31, 2025	Dec. 31, 2024	\$ Change	% Change
<b>Per common share</b>								
- Basic net earnings	\$ 0.31	0.28	\$ 0.03	12%	\$ 0.67	0.60	\$ 0.06	11%
- Diluted net earnings	\$ 0.31	0.28	\$ 0.03	12%	\$ 0.67	0.60	\$ 0.06	11%
<b>Basic Net earnings per share</b>	<b>\$ 0.31</b>	<b>0.28</b>	<b>\$ 0.03</b>	<b>12%</b>	<b>\$ 0.67</b>	<b>0.60</b>	<b>\$ 0.06</b>	<b>11%</b>
<b>Adjustments:</b>								
Portfolio rationalization costs <sup>1</sup>	(0.00)	-	(0.00)	n/a	-	-	-	n/a
Fair value adjustment to inventory <sup>2</sup>	-	-	-	n/a	-	0.02	(0.02)	(100%)
NCI obligation <sup>3</sup>	0.01	0.02	(0.01)	(42%)	0.02	0.04	(0.01)	(42%)
Fair value adjustment to NCI obligation <sup>4</sup>	-	-	-	n/a	0.02	-	0.02	n/a
<b>Adjusted Basic Net earnings per share</b>	<b>\$ 0.32</b>	<b>0.30</b>	<b>\$ 0.02</b>	<b>8%</b>	<b>\$ 0.71</b>	<b>0.66</b>	<b>\$ 0.05</b>	<b>8%</b>
<b>Diluted Net earnings per share</b>	<b>\$ 0.31</b>	<b>0.28</b>	<b>\$ 0.03</b>	<b>12%</b>	<b>\$ 0.67</b>	<b>0.60</b>	<b>\$ 0.06</b>	<b>11%</b>
<b>Adjustments:</b>								
Portfolio rationalization costs <sup>1</sup>	(0.00)	-	(0.00)	n/a	-	-	-	n/a
Fair value adjustment to inventory <sup>2</sup>	-	-	-	n/a	-	0.02	(0.02)	(100%)
NCI obligation <sup>3</sup>	0.01	0.02	(0.01)	(42%)	0.02	0.04	(0.01)	(42%)
Fair value adjustment to NCI obligation <sup>4</sup>	-	-	-	n/a	0.02	-	0.02	n/a
<b>Adjusted Diluted Net earnings per share</b>	<b>\$ 0.32</b>	<b>0.30</b>	<b>\$ 0.02</b>	<b>8%</b>	<b>\$ 0.71</b>	<b>0.66</b>	<b>\$ 0.05</b>	<b>8%</b>

(1) Costs related to rationalizing brand portfolio, including costs incurred to dispose or discontinue product lines following strategic portfolio review

(2) Costs related to fair value adjustments to inventory due to business combination

(3) Notional interest costs related to non-controlling interest obligation for ABG

(4) Costs related to fair value adjustmentst to non-controlling interest obligation for ABG

The following table presents a reconciliation of the Rolling 12-month Dividend Payout Ratio to the quarterly dividends paid and quarterly cash flow from operating activities:

(in millions of Canadian dollars except per share amounts)	Twelve months ended	
	Dec. 31, 2025	
Dividend paid per share	\$	0.92
Shares outstanding		28,468,856
<b>Total dividends paid</b>	<b>\$</b>	<b>26.2</b>
Cash flow from operating activities		46.2
<b>Dividend Payout Ratio</b>		<b>57%</b>

### Risks & Risk Management

The Company is exposed to a number of risks in the normal course of its business that have the potential to affect its operating and financial performance.

### Industry and Regulatory

The beverage alcohol industry in Canada is subject to government policy, extensive regulatory requirements and significant rates of taxation at both the federal and provincial levels. As a result, changes in the government policy, regulatory and/or taxation environments within the beverage alcohol industry may affect Corby's business operations, causing changes in market dynamics or changes in consumer consumption patterns. In addition, the



Company's provincial LB customers have the ability to mandate changes that can lead to increased costs, as well as other factors that may impact financial results.

As part of the modernization of the RTM in Ontario, beverages excluding spirits are now sold in Ontario grocery, convenience, and big-box stores as of September 2024, as noted in regulatory changes announced by the Ontario government on July 15, 2024. While the exclusion of spirits from such channels may negatively impact consumer purchasing and consumption patterns for spirits and is closely monitored by the Company, the modernization of the RTM in Ontario presents an opportunity for consumers to purchase a wider range of beverages with greater convenience, including Corby's wine and RTD portfolio. The Company remains agile in its approach to the RTM modernization in Ontario to capitalize on this strategic opportunity for the business as well as continuing to cater to the needs of our consumers with the best of our product offerings.

Furthermore, certain provinces in Canada implement a minimum retail price ("MRP") for beverage alcohol products, and update those prices on a periodic basis according to several factors, including inflationary rates and taxation changes. On March 28, 2025, the Ontario provincial government announced the elimination of the MRP for all spirits and spirit-based RTD products sold at the LCBO and other licensed retailers, effective April 1, 2025. The impact of this regulatory change on the overall retail and market environment in Ontario remains to be seen. Corby closely monitors the overall retail landscape and aims to remain competitive in the Canadian spirits market, while executing on our overall value optimization strategies.

The Ontario provincial government announced changes as part of the 2025 Ontario Budget to the basic mark-up rates applied by the LCBO on certain wine-based and spirit-based ready-to-drink beverages (RTDs), effective August 1, 2025, with further proposals to introduce a new "alcohol refreshment beverage" category. The Ontario provincial government also has communicated its intent to implement a new wholesale pricing model effective April 1, 2026. The Company continues to monitor the regulatory environment with respect to provincial taxation and aims to remain competitive in the market.

Additionally, as the Company looks to expand international product sales in the US, UK and other countries, exposure to changes in the laws and regulations (including on matters such as regulatory requirements, import duties, tariffs and taxation) in those countries could also adversely affect the operations, financial performance, or reputation of the Company. In particular, Corby is monitoring potential regulatory changes to import tariffs between Canada and the United States. Canadian goods compliant with CUSMA continue to benefit from exemption from baseline tariffs, including our exports to the US. The Company is also diversifying supply chains to help ensure product availability, in addition to increasing promotion of Canadian and international products to seize new opportunities and mitigate risks effectively. The Company may also purchase raw materials from international sources, and the price and availability of these materials may be adversely affected by changes in laws and regulations. The Company actively works to mitigate or minimize these risks through measures including but not limited to diversifying supply chains and export markets, active management of promotions and pricing, and re-allocation of investments. Corby will continue to be agile and respond with speed as new developments occur in this matter.

The Company, as an industry leader, actively participates in trade association discussions relating to new developments.

### ***Geo-Political Risk***

Geo-political and other events, such as the ongoing situation in Ukraine, and the sanctions imposed in connection therewith, and the situation in the Middle East, have led, and in the future may lead, to disruptions in Canadian and global economies and markets generally. The political and civil situations both domestically and in other countries cannot be accurately predicted. National and international political activities remain fluid and beyond our control. While we continue to monitor economic and political situations in Canada and other countries closely, any new, prolonged or expanded unrest, military activities, or sanctions, could increase financial market volatility and have significant adverse direct or indirect effects on global economies and on our business, results of operations or financial results. Such events may indirectly impact the performance of the Company due to increased cost of inputs and supply chain volatility.

### ***Consumer Consumption Patterns***

Beverage alcohol companies are susceptible to risks relating to changes in consumer consumption patterns. Consumer consumption patterns are affected by many external influences, not the least of which is economic outlook, health trends and government alcohol consumption guidelines, as well as overall consumer confidence in the stability of the economy as a whole. Uncertainty and adverse changes in general economic conditions including high inflation, fuel and energy costs and interest rates may negatively impact consumer spending and consumer demand for the Company's products and services which could adversely affect the Company's operations or financial performance.

Additionally, the legalization of recreational cannabis in Canada could have the potential to impact consumer consumption patterns with respect to beverage alcohol products. Corby offers a diverse portfolio of products across all major spirits categories and at various price points. Corby continues to identify and offer new innovations in order to address consumer desires.

### ***Distribution/Supply Chain Interruption***

The Company is susceptible to risks relating to distributor and supply chain interruptions. Distribution in Canada is largely accomplished through the government-owned provincial LBs and, therefore, an interruption (e.g., a labour strike or pandemic) for any length of time, or a change in business model may have a significant impact on the Company's ability to sell its products in a particular province and/or market. International sales are subject to the variations in distribution systems within each country where the products are sold.

Supply chain interruptions, including a manufacturing or inventory disruption or regional or global disruptions, can impact product quality and availability. The Company adheres to a comprehensive suite of quality programmes and proactively manages production and supply chains to mitigate any potential risk to consumer safety or Corby's reputation and profitability.

The Company closely monitors the changing global environment to ensure LBs' order fulfillment is achieved across the various markets. Consumer traffic from worldwide ports continues to be affected by port disruptions. Global supply chains continue to be a potential risk, both for the supply of finished goods, and for raw materials.

Inherent to producing maturing products, there is a potential for shortages or surpluses in future years if demand and supply are materially different from long-term forecasts. Additionally, the loss through contamination, fire or other natural disaster of the stock of maturing products may result in significant reduction in supply and, as a result, Corby may not be able to meet customer demands. The Company monitors category trends and regularly reviews maturing inventory levels.

### ***Environmental Compliance***

Environmental liabilities may potentially arise when companies are in the business of manufacturing products and, thus, required to handle potentially hazardous materials. As Corby largely outsources its production, including all of its storage and handling of maturing alcohol, the risk of environmental liabilities is considered minimal. Corby currently has no significant recorded or unrecorded environmental liabilities.

### ***Industry Consolidation***

In recent years, the global beverage alcohol industry has continued to experience consolidation. Industry consolidation can have varying degrees of impact and, in some cases, may even create exceptional opportunities. Either way, management believes that the Company is well positioned to deal with this or other changes to the competitive landscape in Canada and other markets in which it carries on business.

### ***Corby's ability to properly complete acquisitions and subsequently integrate them may affect its results***

Corby monitors growth opportunities that may present themselves, including by way of acquisitions. While we believe that an acquisition may create the opportunity to realize certain benefits, achieving these benefits will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in an efficient manner, as well as our ability to realize any anticipated growth opportunities or costs savings from

combining the target's assets and operations with our existing brands and operations. Integration efforts following any acquisition may require the dedication of substantial management effort, time and resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. In addition, Corby may be required to assume greater-than-expected liabilities due to liabilities that are undisclosed at the time of completion of an acquisition. A failure to realize, in whole or in part, the anticipated benefits of an acquisition may have a negative impact on the results or financial position of Corby.

### **Competition**

The Canadian and international beverage alcohol industry is extremely competitive. Competitors may take actions to establish and sustain a competitive advantage through advertising and promotion and pricing strategies to maintain market share, which may negatively affect our sales, revenues and profitability. Corby constantly monitors the market and adjusts its own advertising, promotion, and pricing strategies as appropriate.

Competitors may also affect Corby's ability to attract and retain high-quality employees. The Company's long heritage attests to Corby's strong foundation and successful execution of its strategies. Its role as a leading Canadian beverage alcohol company helps facilitate recruitment efforts.

### **Customer Risk**

The beverage alcohol retail sector in Canada is subject to government policy and extensive regulatory requirements. As a result, provincial LB customers, who form the majority of Corby's Canadian customer base, may implement changes which could affect Corby's sales or impact market dynamics or changes in consumer consumption patterns. In addition, the Company's provincial LB customers have the ability to mandate changes that can lead to increased costs, as well as other factors that may impact Corby's financial results.

During November 2023, the Liquor Control Board of Ontario ("LCBO"), one of Corby's customers, advised suppliers that it will be enforcing a pricing term included in its standard purchase terms and conditions that requires suppliers to ensure prices sold to the LCBO are the same or lower than prices sold to any other customer in Canada, which is in contradiction to other pricing policies imposed by the LCBO, particularly "minimum pricing" that increased minimum retail prices every year prior to the elimination of such policy in April 2025.

The LCBO levied penalties on suppliers for sales beginning April 2023. For the fiscal year ended June 30, 2024 Corby recorded expected penalties related to the period April 2023 through June 30, 2024, of which \$1.1 million remains accrued and included in accounts payable and accrued liabilities at December 31, 2025. In addition, the LCBO threatened to calculate penalties on sales not in compliance for the period before April 2023. Corby cannot quantify the potential charge, and no provision has been recorded in these financial statements for any exposure before April 2023. Corby believes a retroactive charge back of this nature would not be enforceable.

Corby, together with a collective of spirits suppliers representing almost 70% of the spirits products sold in Ontario, filed a court application with the Ontario Superior Court of Justice for court orders declaring that the LCBO's pricing term is of no force and effect or, alternatively, cannot be enforced retroactively, and that the LCBO must release any amounts set off based on its enforcement. The matter was heard by the Commercial List court in June 2025 with a decision anticipated during fiscal year 2026.

The Company will continue to monitor the potential risks associated with any proposed changes by its customers, and as an industry leader, actively participates in trade association discussions relating to new developments in this area.

### **Credit Risk**

Credit risk arises from deposits in cash management pools held with PR via Corby's participation in the Mirror Netting Service Agreement (as previously described in the "Related Party Transactions" section of this MD&A), as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the Company's financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of its counterparties, considering their financial position, past experience and other factors. As the majority of Corby's accounts

receivable balances are collectible from government-controlled LBs, management believes the Company's credit risk relating to accounts receivable is at an acceptably low level.

### ***Exposure to Interest Rate Fluctuations***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that its cash in cash management pools, bank indebtedness and credit facilities payable are based upon variable rates of interest. The Company's long term loan payables bear interest at a fixed rate. Corby does not conduct an active risk management program, as management believes that changes in interest rates would not have a material impact on Corby's financial position over the long term.

### ***Exposure to Commodity Price Fluctuations and Inflation Risk***

Commodity risk exists, as the manufacture of Corby's products requires the procurement of several known commodities, such as grains, sugar and natural gas. Inflation as well as other economic factors including demand, global events and supply chain challenges could impact the cost of production inputs and negatively impact the Company's results from operations. The Company strives to partially mitigate this risk through the use of longer-term procurement contracts where possible. In addition, subject to competitive conditions, the Company may pass on commodity price changes to consumers through pricing over the long-term.

### ***Foreign Currency Exchange Risk***

The Company has exposure to foreign currency risk, as it conducts business in multiple foreign currencies; however, its exposure is primarily limited to the US dollar ("USD") and UK pound sterling ("GBP"). Corby does not utilize derivative instruments to manage this risk. Subject to competitive conditions, changes in foreign currency rates may be passed on to consumers through pricing over the long-term.

#### USD Exposure

The Company's demand for USD has traditionally outpaced its supply, due to USD sourcing of production inputs and Advertising & Promotion expenses exceeding that of the Company's USD sales. Therefore, decreases in the value of the Canadian dollar ("CAD") relative to the USD will have an unfavourable impact on the Company's earnings.

#### GBP Exposure

The Company's supply of GBP outpaces demand, as Corby's sales into the UK market are denominated in GBP, while having only certain production inputs denominated in GBP. Therefore, increases in the value of the CAD relative to the GBP will have an unfavourable impact on the Company's earnings.

### ***Third-Party Service Providers***

HWSL provides more than 90% of the Company's spirits production requirements, among other services including administration and information technology. The Company's RTD production requirements are also fulfilled by various third-party co-packers located across Canada. The Company is also reliant upon certain third-party service providers in respect of certain of its operations. It is possible that negative events affecting HWSL and these third-party service providers could, in turn, negatively impact the Company. While the Company has no direct control over how HWSL and such third-parties are managed, it has entered into contractual arrangements to formalize these relationships. In order to minimize operating risks, the Company actively monitors and manages its relationships with its service providers.

### ***Brand Reputation and Trademark Protection***

The Company promotes nationally branded, non-proprietary products as well as proprietary products. Damage to the reputation of any of these brands, or to the reputation of any supplier or manufacturer of these brands, could negatively impact consumer opinion of the Company or the related products, which could have an adverse impact on the financial performance of the Company. The Company strives to mitigate such risks by selecting only those products from suppliers that strategically complement Corby's existing brand portfolio and by actively monitoring brand advertising and promotion activities.

Additionally, although the Company registers trademarks, as applicable, it cannot be certain that trademark registrations will be issued with respect to all the Company's applications. Also, while Corby constantly watches for and responds to competitive threats, as necessary, the Company cannot predict challenges to, or prevent a competitor from challenging, the validity of any existing or future trademark issued or licensed to Corby.

### **Information Technology and Cyber Security**

The Company uses technology supplied by third parties, both related and non-related, to support operations and invests in information technology to improve route to market, reporting, analysis, and marketing initiatives. Issues with availability, reliability and security of systems and technology could adversely impact the Company's ability to compete resulting in corruption or loss of data, regulatory-related issues, litigation or brand reputation damage. With the fast-paced changing nature of the technology environment including digital marketing, the Company works with these third parties to maintain policies, processes and procedures to help secure and protect these information systems as well as consumer, corporate and employee data.

### **Valuation of Goodwill and Indefinite-life Intangible Assets**

Goodwill and indefinite-life intangible assets account for a significant amount of the Company's total assets. Indefinite-life intangible assets are included in Corby's consolidated balance sheet in intangible assets (which also includes finite-lived intangible assets such as software and representation rights).

Goodwill and indefinite-lived intangible assets are subject to impairment tests that involve the determination of fair value. The process of determining the recoverable amount requires the Company to make estimates and assumptions of a long-term nature regarding discount rates, projected revenues and terminal growth rates, as applicable, derived from past experience, actual operating results and budgets. These estimates and assumptions may change in the future due to uncertain competitive and economic market conditions or changes in business strategies. Certain of the aforementioned factors affecting the determination of fair value may be impacted and, as a result, the Company's financial results may be adversely affected.

The following table summarizes Corby's goodwill and indefinite-life intangible assets and details the amounts associated with each of the Company's reportable segments as at December 31, 2025:

<i>(in millions of Canadian dollars)</i>		Carrying Values as at Dec. 31, 2025			
Segment	Associated Market	Goodw ill	Trademarks and licences	Total	
Case Goods - Domestic	Canada	\$ 115.7	50.2	\$	165.9
Case Goods - International	United Kingdom <sup>(1)</sup>	1.3	11.8		13.1
<b>Total</b>		\$ 117.0	\$ 62.0	\$	179.0

<sup>(1)</sup> The Case Goods - International segment relates to Lamb's rum w hich is primarily focused in the UK, how ever, the trademarks and licences purchased relate to all international markets outside of Canada, as Corby previously ow ned the Canadian rights.

Therefore, economic factors (such as consumer consumption patterns) specific to these segments and markets are primary drivers of the risk associated with their respective goodwill and indefinite-life intangible assets valuations.

### **Employee Future Benefits**

The Company has certain obligations under its registered and non-registered defined benefit pension plans and other post-retirement benefit plan. New regulations and market-driven changes may result in changes in the discount rates and other variables, which would result in the Company being required to make contributions in the future that differ significantly from estimates. An extended period of depressed capital markets and low interest rates could require the Company to make contributions to these plans in excess of those currently contemplated, which, in turn, could have an adverse impact on the financial performance of the Company. Somewhat mitigating the impact of a potential market decline is the fact that the Company monitors its pension plan assets closely and

follows strict guidelines to ensure that pension fund investment portfolios are diversified in-line with industry best practices. In 2020, the Company initiated a pension de-risking strategy for Corby's defined benefit salaried pension plan, using securities investments held in the salaried plan to purchase a buy-in annuity for retirees and deferred vested plan members. The buy-in annuity transaction in 2020 effectively reduced Corby's exposure to pension related risks financial risks. Effective January 1, 2024, Corby converted the buy-in annuities held for its salaried pension plan to buy-out annuities. By converting to a buy-out annuity Corby effectively reduced administrative costs, including maintenance of pensioner records, benefit payments and regulatory requirements for the group impacted. For further details related to Corby's defined benefit pension plans, please refer to Note 10 of the annual audited consolidated financial statements for the year ended June 30, 2025.

# CORBY SPIRIT AND WINE LIMITED

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in thousands of Canadian dollars)

As at	Notes	Dec. 31, 2025	June 30, 2025
<b>ASSETS</b>			
Cash		\$ 2,068	\$ 179
Deposits in cash management pools		21,821	15,756
Accounts receivable	4	43,331	55,085
Inventories	5	104,363	101,457
Prepaid expenses		1,076	574
<b>Total current assets</b>		<b>172,659</b>	<b>173,051</b>
Note receivable	6	742	-
Other assets		6,940	7,143
Deferred income tax assets		939	1,158
Right-of-use assets	7	7,807	3,532
Property, plant and equipment		20,159	20,867
Goodwill		116,962	116,962
Intangible assets	8	69,206	80,095
<b>Total assets</b>		<b>\$ 395,414</b>	<b>\$ 402,808</b>
<b>LIABILITIES</b>			
Bank indebtedness	9	\$ -	\$ 3,477
Accounts payable and accrued liabilities	10	66,250	64,049
Income and other taxes payable		3,064	2,403
Credit facilities payable	9	-	1,505
Current lease liabilities		2,022	1,688
<b>Total current liabilities</b>		<b>71,336</b>	<b>73,122</b>
Provision for employee benefits		6,053	6,122
Long-term debt	11	96,000	102,000
Deferred income tax liabilities		17,152	18,082
Long-term lease liabilities		5,578	1,918
Non-controlling interest obligation	12	10,069	18,232
<b>Total liabilities</b>		<b>206,188</b>	<b>219,476</b>
<b>Shareholders' equity</b>			
Share capital		14,304	14,304
Accumulated other comprehensive income		8,350	8,374
Retained earnings		166,572	160,654
<b>Total equity</b>		<b>189,226</b>	<b>183,332</b>
<b>Total liabilities and shareholders' equity</b>		<b>\$ 395,414</b>	<b>\$ 402,808</b>

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# CORBY SPIRIT AND WINE LIMITED

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

(in thousands of Canadian dollars, except per share amounts)

	Notes	For the Three Months Ended		For the Six Months Ended	
		Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
<b>Revenue</b>	13	\$ 66,914	\$ 61,652	\$ 142,307	\$ 126,766
Cost of sales		(35,032)	(30,392)	(73,840)	(62,558)
Marketing, sales and administration		(18,424)	(18,187)	(38,494)	(36,320)
Other income (expense)	14	371	(36)	300	155
<b>Earnings from operations</b>		<b>13,829</b>	<b>13,037</b>	<b>30,273</b>	<b>28,043</b>
Financial income	15	70	259	194	664
Financial expense	15	(1,849)	(2,331)	(3,722)	(4,793)
Fair value adjustment of non-controlling interest obligation	12	-	-	(530)	-
<b>Earnings before income taxes</b>		<b>12,050</b>	<b>10,965</b>	<b>26,215</b>	<b>23,914</b>
Current income taxes		(3,524)	(3,576)	(7,902)	(7,144)
Deferred income tax recovery		311	511	701	429
Income taxes		(3,213)	(3,065)	(7,201)	(6,715)
<b>Net earnings</b>		<b>\$ 8,837</b>	<b>\$ 7,900</b>	<b>\$ 19,014</b>	<b>\$ 17,199</b>
<b>Basic earnings attributable to each share</b>		<b>\$ 0.31</b>	<b>\$ 0.28</b>	<b>\$ 0.67</b>	<b>\$ 0.60</b>
<b>Diluted earnings attributable to each share</b>		<b>\$ 0.31</b>	<b>\$ 0.28</b>	<b>\$ 0.67</b>	<b>\$ 0.60</b>
<b>Weighted average common shares outstanding</b>					
Basic		28,468,856	28,468,856	28,468,856	28,468,856
Diluted		28,468,856	28,468,856	28,468,856	28,468,856

The accompanying notes are an integral part of these interim condensed consolidated financial statements.



# CORBY SPIRIT AND WINE LIMITED

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

(in thousands of Canadian dollars)

	For the Three Months Ended		For the Six Months Ended	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
<b>Net earnings</b>	\$ 8,837	\$ 7,900	\$ 19,014	\$ 17,199
<b>Other comprehensive income:</b>				
Amounts that will not be subsequently reclassified to earnings:				
Net actuarial losses	(17)	(24)	(34)	(48)
Income tax recovery	6	7	10	13
	(11)	(17)	(24)	(35)
<b>Total comprehensive income</b>	\$ 8,826	\$ 7,883	\$ 18,990	\$ 17,164

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

(in thousands of Canadian dollars)

	Share Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance as at June 30, 2025	\$ 14,304	\$ 8,374	\$ 160,654	\$ 183,332
Total comprehensive income (loss)	-	(24)	19,014	18,990
Dividends	-	-	(13,096)	(13,096)
<b>Balance as at December 31, 2025</b>	<b>\$ 14,304</b>	<b>\$ 8,350</b>	<b>\$ 166,572</b>	<b>\$ 189,226</b>
Balance as at June 30, 2024	\$ 14,304	\$ 8,448	\$ 158,849	\$ 181,601
Total comprehensive income (loss)	-	(35)	17,199	17,164
Dividends	-	-	(12,526)	(12,526)
<b>Balance as at December 31, 2024</b>	<b>\$ 14,304</b>	<b>\$ 8,413</b>	<b>\$ 163,522</b>	<b>\$ 186,239</b>

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# CORBY SPIRIT AND WINE LIMITED

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(in thousands of Canadian dollars)

		For the Three Months Ended		For the Six Months Ended	
		Dec. 31,	Dec. 31,	Dec. 31,	Dec. 31,
	Notes	2025	2024	2025	2024
<b>Operating activities</b>					
Net earnings		\$ 8,837	\$ 7,900	\$ 19,014	\$ 17,199
Adjustments for:					
Amortization and depreciation	16	3,472	4,129	7,300	8,067
Net financial expense	15	1,779	2,072	3,528	4,129
Gain on sale of brand trademarks	6	(393)	-	(393)	-
Fair value adjustment of non-controlling interest obligation	12	-	-	530	-
Income tax expense		3,213	3,065	7,201	6,715
Provision for employee benefits		-	1	8	(97)
		16,908	17,167	37,188	36,013
Net change in non-cash working capital balances	17	18,467	16,295	9,914	4,961
Interest paid		(1,507)	(1,787)	(3,039)	(3,705)
Interest received		69	259	194	664
Income taxes paid		(2,518)	(38)	(7,241)	(2,382)
<b>Net cash from operating activities</b>		<b>31,419</b>	<b>31,896</b>	<b>37,016</b>	<b>35,551</b>
<b>Investing activities</b>					
Additions to property and equipment		(445)	(836)	(951)	(997)
Additions to intangible assets		(60)	(55)	(67)	(149)
Proceeds from representation rights	8	3,289	-	3,289	-
Proceeds from sale of brand trademarks	6	3,000	-	3,000	-
Exercise of option to partially acquire non-controlling interest	12	(9,285)	-	(9,285)	-
(Deposits in) withdrawals from cash management pools		(16,687)	(12,586)	(6,065)	3,393
<b>Net cash (used in) from investing activities</b>		<b>(20,188)</b>	<b>(13,477)</b>	<b>(10,079)</b>	<b>2,247</b>
<b>Financing activities</b>					
Proceeds on note receivable	6	97	-	97	-
Repayment of long-term debt	11	(6,000)	(6,000)	(6,000)	(12,000)
Payment of lease liabilities		(562)	(521)	(1,067)	(911)
Repayments of credit facilities payable	9	-	(5,254)	(1,505)	(15,600)
Repayment of bank indebtedness	9	-	-	(3,477)	-
Dividends paid		(6,548)	(6,263)	(13,096)	(12,526)
<b>Net cash used in financing activities</b>		<b>(13,013)</b>	<b>(18,038)</b>	<b>(25,048)</b>	<b>(41,037)</b>
<b>Net change in cash</b>		<b>(1,782)</b>	<b>381</b>	<b>1,889</b>	<b>(3,239)</b>
Cash, beginning of the period		3,850	1,028	179	4,648
<b>Cash, end of the period</b>		<b>\$ 2,068</b>	<b>1,409</b>	<b>\$ 2,068</b>	<b>\$ 1,409</b>

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

# **CORBY SPIRIT AND WINE LIMITED**

## **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*(Unaudited)*

*(in thousands of Canadian dollars, except per share amounts)*

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### **1. GENERAL INFORMATION**

Corby Spirit and Wine Limited ("Corby" or the "Company") is a leading Canadian manufacturer, marketer and importer of spirits, wines and ready to drink offerings ("RTDs"). The Company derives its revenues from the sale of its owned-brands in Canada and other international markets, as well as earning commissions from the representation of selected non-owned brands in the Canadian marketplace. Revenues predominantly consist of sales made to each of the provincial liquor boards in Canada. The Company also supplements these primary sources of revenue with other ancillary activities incidental to its core business, such as logistics fees.

Corby is controlled by Hiram Walker & Sons Limited ("HWSL"), which is a wholly-owned subsidiary of Pernod Ricard, S.A. ("PR"), a French public limited company that controls 51.6% of the outstanding Voting Class A Common Shares of Corby as at December 31, 2025.

Corby is a public company incorporated and domiciled in Canada, whose shares are traded on the Toronto Stock Exchange. The Company's registered address is 225 King Street West, Suite 1100, Toronto, ON M5V 3M2.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **(i) Basis of Preparation**

##### ***Statement of compliance***

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"). These interim condensed consolidated financial statements follow the same accounting policies as the most recent annual consolidated financial statements, except for changes in accounting policies and methods described below. These interim condensed consolidated financial statements should be read in conjunction with the Company's 2025 annual consolidated financial statements.

These interim condensed consolidated financial statements were approved by the Company's Board of Directors on February 11, 2026.

##### ***Functional and presentation currency***

The Company's interim condensed consolidated financial statements are presented in Canadian dollars, which is the Company's, and its subsidiaries, functional and presentation currency.

##### ***Foreign currency translation***

Transactions denominated in foreign currencies are translated into the functional currency using the exchange rate applicable at the transaction date. Non-monetary assets and liabilities denominated in foreign currencies are recognized at the historical exchange rate applicable at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate applicable at the balance sheet date. Foreign currency differences related to operating activities are recognized in earnings from operations for the period.

##### ***Basis of Measurement***

These interim condensed consolidated financial statements are prepared in accordance with the historical cost model, except for certain categories of assets and liabilities, which are measured in accordance with other methods provided for by IFRS Accounting Standards ("IFRS") as described in the most recent annual consolidated financial statements, except for recently adopted policies and methods described below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

### ***Use of Estimates and Judgments***

The preparation of these interim condensed consolidated financial statements in conformity with IFRS requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Judgment is commonly used in determining whether a balance or transaction should be recognized in the interim condensed consolidated financial statements, and estimates and assumptions are more commonly used in determining the measurement of recognized transactions and balances. However, judgment and estimates are often interrelated.

Estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Estimates are made on the assumption the Company will continue as a going concern and are based on information available at the time of preparation. Estimates may be revised where the circumstances on which they were based changes or where new information becomes available. Future outcomes can differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The Company has assessed significant accounting judgements and estimates in preparing these interim condensed consolidated financial statements for the three and six months ended December 31, 2025 and December 31, 2024. Management's most critical estimates in determining the value of assets and liabilities and the most critical judgements in applying accounting policies that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next year have been described in Note 2 of the Company's most recent annual consolidated financial statements and have been applied consistently in the preparation of these condensed consolidated interim financial statements except for the impact of the adoption of the new and revised standards and interpretations described below, and the judgements and estimates described in Note 6 "Note Receivable".

### ***Seasonality***

The interim condensed consolidated financial statements should not be taken as indicative of the performance to be expected for the full fiscal year due to the seasonal nature of the spirits business. Seasonality factors cause Corby's operating results to fluctuate from quarter to quarter. Sales of spirits and wines are typically strong in the first and second quarters of the fiscal year, while third-quarter sales are usually lower after the end of the retail holiday season. Fourth-quarter sales of spirits and wines typically increase again with the onset of warmer weather, as consumers tend to increase their purchasing levels during the summer season. This contrasts with the seasonality trends of RTDs, with the strongest sales typically occurring in the first and fourth quarters to align with the onset of warmer months, while the second and third quarters are comparatively lower.

## **(ii) Adoption of New and Revised Standards and Interpretations**

### ***Recent accounting pronouncements***

The following new accounting standard is effective for the financial period ended December 31, 2025, but was not applicable to Corby:

	New or Revised Pronouncement	Effective Date	Company Effective Date
Amendments to IAS 21	Lack of exchangeability of currencies	January 1, 2025	July 1, 2025

### ***Recent accounting pronouncements not in effect***

The below standards and amendments to standards have been issued but are not yet effective for the financial period ending December 31, 2025, and accordingly, have not been applied in preparing these interim condensed consolidated financial statements:

a) *IFRS 18, Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued a new standard IFRS 18 “Presentation and Disclosure in Financial Statements” that will replace IAS 1 “Presentation of Financial Statements”. This new standard introduces newly defined subtotals on the statement of earnings, new requirements for classification of information, and disclosure of Management Performance Measures in the financial statements. This new standard is effective for annual reporting periods beginning on or after January 1, 2027. For Corby, the amendment will become effective July 1, 2027. The Company is currently assessing the impact that the new standard will have on its financial statements and disclosures.

Other upcoming standards and amendments to standards that are not expected to have an impact on the Company’s disclosures and financial results are as follows:

	New or Revised Pronouncement	Effective Date	Company Effective Date
Amendments to IFRS 9 and IFRS 7	<i>Classification and measurement of financial instruments</i>	January 1, 2026	July 1, 2026
Amendments to IFRS 9 and IFRS 7	<i>Power purchase arrangements</i>	January 1, 2026	July 1, 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	<i>Annual Improvements to IFRS Accounting Standards - Volume 11</i>	January 1, 2026	July 1, 2026
IFRS 19	<i>Subsidiaries without public accountability: disclosures</i>	January 1, 2027	July 1, 2027
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i>	January 1, 2027	July 1, 2027
Amendments to IFRS S2	<i>Amendments to Greenhouse Gas Emissions Disclosures</i>	January 1, 2027	July 1, 2027

### 3. FAIR VALUE

The Company uses a fair value hierarchy in order to classify the fair value measurements and disclosures related to the Company’s financial assets and financial liabilities.

The fair value hierarchy has the following levels:

- Level 1 – Quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – Unobservable inputs such as inputs for the asset or liability that are not based on observable market data.

For financial assets and liabilities that are valued at other than fair value on its balance sheets (i.e., deposits in cash management pools, accounts receivable, bank indebtedness, accounts payable and accrued liabilities and credit facilities payable), fair value approximates their carrying value at each balance sheet date due to their short-term maturities. The fair value of the term loan payable is approximately \$95,563 at December 31, 2025. Fair value is determined using Level 2 inputs. Level 3 inputs are used to determine the fair value of pension plan assets contained within the infrastructure and real estate funds. Level 3 inputs are used to estimate the fair value of the non-controlling interest obligation and the note receivable.

### 4. ACCOUNTS RECEIVABLE

	Dec. 31, 2025	June 30, 2025
Trade receivables	\$ 23,807	\$ 31,838
Due from related parties	16,534	19,523
Other	2,990	3,724
	<b>\$ 43,331</b>	<b>\$ 55,085</b>

## 5. INVENTORIES

	Dec. 31, 2025	June 30, 2025
Raw materials	\$ 15,701	\$ 15,064
Work-in-progress	61,777	62,155
Finished goods	26,885	24,238
	<b>\$ 104,363</b>	<b>\$ 101,457</b>

The cost of inventory recognized as an expense and included in cost of goods sold during the three and six months ended December 31, 2025 was \$29,538 and \$63,687 (2024 - \$26,457 and \$54,779).

During the three and six months ended December 31, 2025 there were write-downs of \$756 and \$1,573 (2024 - \$80 and \$344) on inventory as a result of net realizable value being lower than cost. No inventory write-downs recognized in previous periods were reversed.

## 6. NOTE RECEIVABLE

### *Sale of Ace Hill and Liberty Village Brand Trademarks*

On October 6, 2025, Corby's subsidiary ABG sold trademarks and associated inventory of certain non-core brands, Ace Hill and Liberty Village, to an unrelated third party Twenty Bench Brewing Company ("TBBC"), recognizing a gain of \$393, net of transaction related expenses. The gain has been presented in Earnings from Operations within the interim condensed consolidated financial statements and included in other income (expense).

The fair value of proceeds totaled \$4,640 and included \$3,000 in cash, a note receivable of \$889, and other receivables of \$751. The note and other receivables are to be paid from TBBC's future sales of Ace Hill and Liberty Village products, or within a maximum eighteen-month period. The fair value of proceeds was determined using a discounted cash flow model at the date of the transaction.

During the fiscal year ending June 30, 2025, these assets were included in the Case Goods segment and contributed \$3,304 to revenue and \$994 to net earnings.

The note receivable is non-interest bearing with a face value of \$1,000. Subsequent to initial measurement of the note receivable at fair value, the Company has classified and measured this financial instrument at amortized cost, as it is held within a business model to collect contractual cash flows and those cash flows solely represent payments of principal.

At December 31, 2025, the carrying amount of the note receivable is \$742 and reflects its fair value. The fair value is estimated using the discounted cash flow model and is classified within Level 3 of the fair value hierarchy due to the use of unobservable inputs.

The note receivable exposes the Group to credit risk. Management monitors the counterparty's creditworthiness and assesses expected credit losses at each reporting date.

## 7. RIGHT OF USE ASSETS

During the three- and six- month period ending December 31, 2025, Corby renewed and amended the existing lease agreement related to its executive offices which resulted in the recognition of a right-of-use asset and corresponding lease liability of \$4,161 at December 31, 2025. The renewed and amended lease commences January 1, 2026 and has an initial term of 7 years.

## 8. INTANGIBLE ASSETS

	June 30, 2025	Movements During the Period			Dec. 31, 2025
		Additions	Disposals	Amortization	
Long-term representation rights	\$ 12,966	\$ -	\$ (3,289)	\$ (4,174)	\$ 5,503
Trademarks and licences	65,111	-	(3,091)	-	62,020
Distribution rights	330	-	-	(83)	247
IT Software	1,688	67	-	(319)	1,436
	\$ 80,095	\$ 67	\$ (6,380)	\$ (4,576)	\$ 69,206

Long-term representation rights disposals reflect the impact of PR's sale of certain wine brands which were included in the PR Representation Agreement. PR has reimbursed Corby for the unused portion of the up-front fee related to these brands. See Note 19 "Related Party Transactions" for further information. Trademark and licences disposals reflect the impact of the non-core brand trademarks sold on October 6, 2025, (see Note 6 "Note Receivable" for further information.)

## 9. CREDIT FACILITIES PAYABLE

The Company, through its subsidiary ABG, has available a revolving operating facility authorized to a maximum of \$15,000 and a non-revolving facility that is due on demand. At December 31, 2025 and June 30, 2025 the balances were as follows:

	Dec. 31, 2025	June 30, 2025
Operating line of credit (available up to \$15,000)	\$ -	\$ 3,477
Non-revolving credit facility	-	1,505

During the three and six months ended December 31, 2025, interest expense on both facilities amounted to \$43 and \$116 (2024 - \$155 and \$334). The facilities are held by a Canadian chartered bank and accrue interest at a variable rate using methodologies based on the CORRA rate plus the applicable CORRA margin, or prime plus the applicable prime rate margin. The applicable CORRA margin and the applicable prime rate margin are determined with reference to the Total Leverage Ratio of ABG.

During the three and six months ended December 31, 2025, the Company made principal repayments of \$nil and \$1,505 (2024- \$5,254 and \$15,600) on the non-revolving credit facility reducing the outstanding balance to \$nil. The Company may prepay outstanding amounts at any time, without penalty.

The facilities are secured by a general security agreement constituting a first-priority encumbrance on select present and future property and assignment of all proceeds under ABG's insurance policies. In connection with the closing of its acquisition of ABG, Corby signed a guarantee with respect to amounts owing under both facilities.

ABG is subject to covenants and was in compliance with all covenants as at December 31, 2025. Covenants are used to determine the appropriate interest rate margin on the various credit facilities under the agreements.

## 10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	Dec. 31, 2025	June 30, 2025
Trade payables and accruals	\$ 41,079	\$ 46,926
Due to related parties	22,682	13,302
Other	2,489	3,821
	\$ 66,250	\$ 64,049

## 11. LONG TERM DEBT

On June 12, 2023, Corby entered into a loan agreement with PR with a total available credit amount of \$120,000. The loan provided Corby with the required funding to complete the ABG acquisition which closed on July 4, 2023.

Details of the term loan payable to PR are as follows:

	Maturity Date	Rate	Dec. 31, 2025	June 30, 2025
Term loan payable	June 20, 2033	5.43%	\$ 96,000	\$ 102,000

The term loan payable is a related party transaction, please see Note 19 “Related Party Transactions” for further information.

The term loan payable bears interest at a fixed interest rate of 5.43%. Interest is payable on a quarterly basis at the end of each quarter. The term loan along with any accrued interest is due in full at the maturity date, June 20, 2033. Corby has the option to voluntarily make partial or total repayment at any time before the maturity date. During the three and six months ended December 31, 2025, the Company made principal repayments of \$6,000 (2024 - \$6,000 and \$12,000) and incurred interest of \$1,384 and \$2,780 (2024 - \$1,540 and \$3,160).

## 12. NON-CONTROLLING INTEREST OBLIGATION

On September 26, 2025, Corby exercised the first of its two call options provided for in the shareholder agreement between Corby, Ace Beverage Holdco Inc. (“ABHI”), the founders and the minority shareholders of ABHI dated July 4, 2023, to purchase an additional 5% of shares of ABHI, increasing its ownership stake to 95% of the issued and outstanding shares. The call option was paid to the founders and minority shareholders in the amount of \$9,285 on October 10, 2025, and resulted in a fair value adjustment of \$530 which was recorded as a reduction in Corby’s net earnings.

The non-controlling interest obligation for the period is as follows:

	Dec. 31, 2025	June 30, 2025
Non-controlling interest obligation, beginning of period	\$ 18,232	\$ 16,206
Exercise of option during the period	(9,285)	-
Fair value adjustment of obligation due to exercise of option	530	-
	\$ 9,477	\$ 16,206
Accretion of obligation during the period	592	2,026
Non-controlling interest obligation, end of period	\$ 10,069	\$ 18,232

## 13. REVENUE

The Company’s revenue consists of the following streams:

	Three months ended		Six months ended	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Case goods sales	\$ 58,206	\$ 52,050	\$ 124,445	\$ 108,555
Commissions, net	7,788	8,443	16,004	16,110
Other services	920	1,159	1,858	2,101
	\$ 66,914	\$ 61,652	\$ 142,307	\$ 126,766



Commissions for the three and six months ended December 31, 2025 are shown net of amortization of long-term representation rights of \$1,834 and \$4,174 (2024 - \$2,593 and \$5,186). Other services include revenues incidental to the manufacture of case goods, such as logistics fees and miscellaneous bulk whisky sales.

#### 14. OTHER INCOME (EXPENSE)

The Company's other income (expense) consists of the following amounts:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<b>Dec. 31,</b>	Dec. 31,	<b>Dec. 31,</b>	Dec. 31,
	<b>2025</b>	2024	<b>2025</b>	2024
Foreign exchange (loss) gain	\$ (30)	\$ (48)	\$ (79)	\$ (35)
Gain on sale of brand trademarks (see Note 6)	393	-	393	-
Licensing fees	-	12	-	186
Other	8	-	(14)	4
	<b>\$ 371</b>	<b>\$ (36)</b>	<b>\$ 300</b>	<b>\$ 155</b>

#### 15. NET FINANCIAL INCOME AND EXPENSE

The Company's financial income (expense) consists of the following amounts:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<b>Dec. 31,</b>	Dec. 31,	<b>Dec. 31,</b>	Dec. 31,
	<b>2025</b>	2024 <sup>(1)</sup>	<b>2025</b>	2024 <sup>(1)</sup>
Interest income on deposits in cash management pools	\$ 62	\$ 247	\$ 186	\$ 639
Other interest income	8	12	8	25
	<b>\$ 70</b>	<b>\$ 259</b>	<b>\$ 194</b>	<b>\$ 664</b>
Interest expense on bank indebtedness, loans and lease liabilities	\$ (1,479)	\$ (1,756)	\$ (2,981)	\$ (3,594)
Interest on non-controlling interest obligation	(296)	(507)	(592)	(1,013)
Net financial impact of pensions	(46)	(38)	(92)	(75)
Other interest expense	(28)	(30)	(57)	(111)
	<b>\$ (1,849)</b>	<b>\$ (2,331)</b>	<b>\$ (3,722)</b>	<b>\$ (4,793)</b>

<sup>(1)</sup> Certain comparative information has been reclassified to conform to the current year's presentation.

#### 16. EXPENSES BY NATURE

Earnings from operations include depreciation and amortization, as well as personnel expenses, as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<b>Dec. 31,</b>	Dec. 31,	<b>Dec. 31,</b>	Dec. 31,
	<b>2025</b>	2024	<b>2025</b>	2024
Depreciation of property and equipment	\$ 812	\$ 801	\$ 1,621	\$ 1,612
Depreciation of right-of-use assets	584	560	1,103	932
Amortization of intangible assets	2,076	2,768	4,576	5,523
Salary and payroll costs	9,146	8,723	18,553	18,128
Expenses related to pensions and benefits	149	147	298	294

## 17. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES

	Three months ended		Six months ended	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Accounts receivable	\$ 9,829	\$ 7,650	\$ 12,074	\$ 7,464
Inventories	(2,246)	1,531	(3,860)	1,551
Prepaid expenses	(114)	(75)	(502)	58
Accounts payable and accrued liabilities	10,998	7,189	2,202	(4,112)
	\$ 18,467	\$ 16,295	\$ 9,914	\$ 4,961

## 18. DIVIDENDS

On February 11, 2026 subsequent to the quarter ended December 31, 2025, the Board of Directors declared its regular quarterly dividend of \$0.24 per common share, to be paid on March 11, 2026, to shareholders of record as at the close of business on February 25, 2026.

## 19. RELATED PARTY TRANSACTIONS

### ***Transactions with parent, ultimate parent, and affiliates***

The majority of Corby's issued and outstanding Voting Class A shares are owned by HWSL. HWSL is a wholly-owned subsidiary of PR. Therefore, HWSL is Corby's parent and PR is Corby's ultimate parent. Affiliated companies are subsidiaries, which are controlled by Corby's parent and/or ultimate parent.

Corby engages in a significant number of transactions with its parent company, its ultimate parent and various affiliates. Specifically, Corby renders services to its parent company, its ultimate parent, and affiliates for the marketing and sale of beverage alcohol products in the Canadian market. Furthermore, Corby outsources the large majority of its distilling, maturing, storing, blending, bottling and related production activities to its parent company, HWSL. A significant portion of Corby's bookkeeping, recordkeeping services, data processing and other administrative services are also outsourced to its parent company, HWSL. Significant transactions with the parent company, ultimate parent and affiliates are subject to Corby's related party transaction policy, which requires such transactions to undergo an extensive review and require approval from an Independent Committee of the Board of Directors.

The companies operate under the terms of agreements that initially became effective on September 29, 2006 (the "2006 Agreements"). These agreements provide the Company with the exclusive right to represent PR's brands in the Canadian market, as well as providing for the continuing production of certain Corby brands by PR at its production facility in Windsor, Ontario. Certain officers of Corby have been appointed as directors and officers of PR's North American entities, as approved by Corby's Board of Directors.

The 2006 Agreements have been amended and renewed, as follows:

- On August 26, 2015, Corby entered into an agreement with PR and certain affiliates amending the September 29, 2006 Canadian representation agreements, pursuant to which Corby agreed to provide more specialized marketing, advertising and promotion services for the PR and affiliate brands under the applicable representation agreements in consideration of an increase to the rate of commission payable to Corby by such entities.
- On November 11, 2015, Corby and PR entered into agreements for the continued production and bottling of Corby's owned-brands by PR at the HWSL production facility in Windsor, Ontario, for a 10-year term commencing September 30, 2016. On the same date, Corby and PR entered into an administrative services agreement, under which Corby agreed to continue to manage certain of PR's business interests in Canada, with a similar term and commencement date. Corby's role managing the HWSL production facility ended on June 30, 2020 but the rest of the services contemplated by the administrative services agreement continue to be provided and are governed by that agreement.

On September 24, 2020, Corby renewed its exclusive right to represent PR's brands in Canada for a further five years and three months, effective July 1, 2021 until September 29, 2026, with a potential for automatic renewal for a further three years thereafter, subject to the achievement of performance criteria (the "2021 Agreement"). The end of the term of the new Canadian representation agreement aligns with those of existing production and administrative services agreements with PR, renewed in 2016. The 2021 Agreement required a payment of an up-front fee of \$54,450 which was paid September 28, 2021, which Corby funded through its deposits in cash management pools. Since the 2021 Agreement was a related party transaction, the agreement was approved by the Independent Committee of the Corby Board of Directors, in accordance with Corby's related party transaction policy.

On September 24, 2025, the 2021 Agreement was amended to provide for continued discussion and negotiation concerning renewal. The Company and the Corby Board of Directors are actively engaged in ongoing discussions with PR related to the renewal of the 2006 agreements, including the representation, services, distillate, and co-pack agreements.

PR also represents certain Corby-owned brands in the United Kingdom. On March 21, 2016, the Company entered into an agreement with Pernod Ricard UK Ltd. ("PRUK"), an affiliated company, which provides PRUK the exclusive right to represent Lamb's rum in Great Britain effective July 1, 2016. On March 28, 2019 the agreement was amended to include Ungava Gin. The agreement was amended again on March 21, 2021 to modify the list of products represented by PRUK and to extend the term of the agreement for a five-year period ending June 30, 2026.

On July 17, 2024, PR announced the sale of its international strategic wine brands to Australian Wine Holdco Limited, which closed effective on April 30, 2025. The transaction includes the sale of a wide portfolio of international wine brands owned and produced by Pernod Ricard Winemakers from three origins including Jacob's Creek® from Australia; Stoneleigh®, Brancott Estate® from New Zealand; and Campo Viejo® from Spain. Corby continued to represent these brands during a transition period until August 31, 2025 under the same terms of the PR Representation agreement. The affected brands contributed \$4,250 to Net Earnings during the year ended June 30, 2025.

Transactions between Corby and its parent, ultimate parent and affiliates during the period are as follows:

	<i>Three months ended</i>		<i>Six months ended</i>	
	<b>Dec. 31, 2025</b>	Dec. 31, 2024	<b>Dec. 31, 2025</b>	Dec. 31, 2024
<b>Sales to related parties</b>				
Commissions - parent, ultimate parent and affiliated companies	\$ 8,056	\$ 10,887	\$ 18,129	\$ 21,070
Products for resale at an export level - affiliated companies	4,076	2,993	7,499	5,483
Bulk spirits - parent	8	9	8	9
	<b>\$ 12,140</b>	<b>\$ 13,889</b>	<b>\$ 25,636</b>	<b>\$ 26,562</b>
<b>Cost of goods sold, purchased from related parties</b>				
Distilling, blending, and production services - parent and affiliated companies	\$ 7,863	\$ 6,852	\$ 14,909	\$ 13,767
<b>Administrative services purchased from related parties</b>				
Marketing, selling and administration services - parent and affiliated companies	\$ 1,173	\$ 986	\$ 2,105	\$ 2,020

Balances outstanding with related parties are due within 60 days, are to be settled in cash and are unsecured.

During the three and six months ended December 31, 2025, the Company paid interest of \$1,384 and \$2,780 (2024 - \$1,540 and \$3,160) on its long-term debt payable to PR.

#### ***Deposits in cash management pools***

Corby participates in a cash pooling arrangement under the Mirror Netting Service Agreement together with PR's other Canadian affiliates, the terms of which are administered by Citibank N.A. The Mirror Netting Service Agreement acts to aggregate each participant's net cash balance for the purposes of having a centralized cash management function for all of PR's Canadian affiliates, including Corby.

As a result of Corby's participation in this agreement, Corby's credit risk associated with its deposits in cash management pools is contingent upon PR's credit rating. PR's credit rating as at February 11, 2026, as published by Standard & Poor's and Moody's, was BBB+ and Baa1, respectively. PR compensates Corby for the benefit it receives from having the Company participate in the Mirror Netting Service Agreement by paying interest to Corby based upon the 30-day CORRA rate plus 0.75%. During the three and six months ended December 31, 2025, Corby earned interest income of \$62 and \$186 from PR (2024 – \$247 and \$639). Corby has the right to terminate its participation in the Mirror Netting Services Agreement at any time, subject to five days' written notice.

## **20. SEGMENT INFORMATION**

Corby has two reportable segments: Case Goods and Commissions. Corby's Case Goods segment derives its revenue from the production and distribution of its owned beverage alcohol brands. Corby's portfolio of owned-brands includes some of the most renowned and respected brands in Canada, such as J. P. Wiser's Canadian whisky, Lamb's rum, Polar Ice vodka, McGuinness liqueurs, and Cottage Springs and Nude RTD beverages.

Corby's Commissions segment earns commission income from the representation of non-owned beverage alcohol brands in Canada. Corby represents leading international brands such as ABSOLUT vodka, Chivas Regal, The Glenlivet and Ballantine's Scotch whiskies, Jameson Irish whiskey, Beefeater gin, Malibu rum, Kahlúa liqueur, Mumm champagne, and Jacob's Creek and Wyndham Estate wines.

The Commissions segment's financial results are fully reported as "Commissions" in Note 13 of the interim condensed consolidated financial statements. Commission revenue is reported net of the amortization of the Long-term Representation Rights which are included in Intangible assets. Amortization for the three and six months ended December 31, 2025, was \$1,834 and \$4,174 (2024 – \$2,593 and \$5,186). A table detailing operational results by segment has not been provided as no additional meaningful information would result.

## **21. CONTINGENCY**

During November 2023, the Liquor Control Board of Ontario ("LCBO"), one of Corby's customers, advised suppliers that it will be enforcing a pricing term included in its standard purchase terms and conditions that requires suppliers to ensure prices sold to the LCBO are the same or lower than prices sold to any other customer in Canada, which is in contradiction to other pricing policies imposed by the LCBO, particularly "minimum pricing" that increased minimum retail prices every year prior to the elimination of such policy in April 2025. The LCBO levied penalties on suppliers for sales beginning April 2023. For the fiscal year ended June 30, 2024, Corby recorded expected penalties related to the period April 2023 through June 30, 2024, of which \$1,104 remains accrued and included in accounts payable and accrued liabilities at December 31, 2025. In addition, the LCBO threatened to calculate penalties on sales not in compliance for the period before April 2023. Corby cannot quantify the potential charge and no provision has been recorded in these financial statements for any exposure before April 2023. Corby believes a retroactive charge back of this nature would not be enforceable. Corby, together with a collective of spirits suppliers representing almost 70% of the spirits products sold in Ontario, filed a court application with the Ontario Superior Court of Justice for court orders declaring that the LCBO's pricing term is of no force and effect or, alternatively, cannot be enforced retroactively, and that the LCBO must release any amounts set off based on its enforcement. The matter was heard by the Commercial List court in June 2025 with a decision anticipated during fiscal year 2026.

## OFFICES

### Executive Office

225 King Street West  
Suite 1100  
Toronto, Ontario  
M5V 3M2

### Registered Office

225 King Street West  
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M5V 3M2

### Subsidiaries and Affiliates

Ace Beverage HoldCo Inc.  
110-140 Geary Avenue  
Toronto, ON  
M6H 4H1

Hiram Walker & Sons Limited  
2072 Riverside Drive East  
Windsor, ON  
N8Y 4S5

Ungava Spirits Co. Ltd.  
Les Spiritueux Ungava Cie Ltée  
291, rue Miner  
Cowansville, QC  
J2K 3Y6

The Foreign Affair Winery Limited  
4890 Victoria Avenue North  
Vineyard Station, ON  
L0R 2E0

### Sales Offices

225 King Street West  
Suite 1100  
Toronto, Ontario  
M5V 3M2

84 Chain Lake Drive  
Suite 405,  
Halifax, Nova Scotia  
B3S 1A2

111 Robert Bourassa Blvd.  
Montreal, Quebec  
H3C 2M1

320 - 23 Avenue SW  
Suite 300  
Calgary, Alberta  
T2S 0J2

520 - 1122 Mainland St.  
Vancouver, British  
Columbia  
V6B 5L1

Nude Beverages  
1008 Homer St Vancouver,  
BC V6B 2X1

## FOR MORE INFORMATION

### Corby Spirit and Wine Limited

Florence Tresarrieu  
President and Chief Executive Officer

Juan Alonso  
Vice-President and Chief Financial Officer

Tel: 416.479.2400

[www.corby.ca](http://www.corby.ca)

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