Condensed consolidated financial statements of

QUEBECOR INC.

Three-month and six-month periods ended June 30, 2026 and 2025

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF INCOME

(in millions of Canadian dollars, except for earnings per share data) (unaudited)	Note	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Revenues	2	**$ 1,440.2**	$ 1,380.4	**$ 2,835.4**	$ 2,723.5
Employee costs	3	**251.1**	207.7	**492.0**	413.4
Purchase of goods and services	3	**561.7**	567.6	**1,139.4**	1,155.4
Depreciation and amortization		**217.4**	213.8	**426.8**	429.1
Financial expenses	4	**79.5**	86.0	**155.7**	178.5
Restructuring, impairment of assets and other	5	**2.3**	16.0	**6.4**	19.3
Other items	6	**(29.9)**	(2.0)	**(39.3)**	(8.6)
Income before income taxes		**358.1**	291.3	**654.4**	536.4
Income taxes:					
Current		**86.1**	83.1	**193.1**	158.3
Deferred		**(3.5)**	(8.0)	**(38.3)**	(22.4)
		82.6	75.1	**154.8**	135.9
Net income		**$ 275.5**	$ 216.2	**$ 499.6**	$ 400.5
Net income (loss) attributable to					
Shareholders		**$ 270.9**	$ 217.7	**$ 496.3**	$ 408.4
Non-controlling interests		**4.6**	(1.5)	**3.3**	(7.9)
Earnings per share attributable to shareholders					
Basic		**$ 1.21**	$ 0.95	**$ 2.20**	$ 1.77
Diluted		**1.18**	0.94	**2.15**	1.76
Weighted average number of shares outstanding (in millions)		**224.8**	230.0	**225.6**	230.6
Weighted average number of diluted shares (in millions)		**230.5**	231.6	**230.8**	232.2

See accompanying notes to condensed consolidated financial statements.

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of Canadian dollars) (unaudited)		Three months ended June 30		Six months ended June 30	
	Note	**2026**	2025	**2026**	2025
Net income		**$ 275.5**	$ 216.2	**$ 499.6**	$ 400.5
Other comprehensive (loss) income:	12				
Items that may be reclassified to income:					
Cash flow hedges:					
(Loss) gain on valuation of derivative financial instruments		**(25.3)**	38.0	**(23.5)**	46.0
Deferred income taxes		**2.9**	(1.6)	**1.5**	(2.5)
Gain (loss) on translation of foreign operations		**10.1**	(1.7)	**16.0**	(3.1)
Items that will not be reclassified to income:					
Equity investments:					
(Loss) gain on revaluation of equity investments		**(4.1)**	19.7	**(6.7)**	22.0
Deferred income taxes		**0.6**	(2.6)	**0.9**	(2.9)
		(15.8)	51.8	**(11.8)**	59.5
Comprehensive income		**$ 259.7**	$ 268.0	**$ 487.8**	$ 460.0
Comprehensive income (loss) attributable to					
Shareholders		**$ 252.9**	$ 269.5	**$ 482.3**	$ 467.9
Non-controlling interests		**6.8**	(1.5)	**5.5**	(7.9)

See accompanying notes to condensed consolidated financial statements.

QUEBECOR INC.
SEGMENTED INFORMATION

(in millions of Canadian dollars)
(unaudited)

Three months ended June 30, 2026

	Telecommuni-cations	Media	Sports and Enter-tainment	Head office and Inter-segments	Total
Revenues	**$ 1,234.6**	**$ 184.8**	**$ 48.4**	**$ (27.6)**	**$ 1,440.2**
Employee costs	**146.5**	**44.2**	**14.5**	**45.9**	**251.1**
Purchase of goods and services	**446.4**	**113.8**	**30.8**	**(29.3)**	**561.7**
Adjusted EBITDA[1]	**641.7**	**26.8**	**3.1**	**(44.2)**	**627.4**
Depreciation and amortization					**217.4**
Financial expenses					**79.5**
Restructuring, impairment of assets and other					**2.3**
Other items					**(29.9)**
Income before income taxes					**$ 358.1**
Cash flows used for capital expenditures	**$ 147.6**	**$ 1.7**	**$ 1.7**	**$ -**	**$ 151.0**

Three months ended June 30, 2025

	Telecommuni-cations	Media	Sports and Enter-tainment	Head office and Inter-segments	Total
Revenues	$ 1,186.8	$ 174.4	$ 51.5	$ (32.3)	$ 1,380.4
Employee costs	128.4	45.1	13.1	21.1	207.7
Purchase of goods and services	448.9	120.0	33.7	(35.0)	567.6
Adjusted EBITDA[1]	609.5	9.3	4.7	(18.4)	605.1
Depreciation and amortization					213.8
Financial expenses					86.0
Restructuring, impairment of assets and other					16.0
Other items					(2.0)
Income before income taxes					$ 291.3
Cash flows used for capital expenditures	$ 159.8	$ 2.5	$ 1.4	$ -	$ 163.7

QUEBECOR INC.
SEGMENTED INFORMATION (continued)

(in millions of Canadian dollars)
(unaudited)

Six months ended June 30, 2026

	Telecommuni-cations	Media	Sports and Enter-tainment	Head office and Inter-segments	Total
Revenues	**$ 2,451.5**	**$ 341.3**	**$ 97.4**	**$ (54.8)**	**$ 2,835.4**
Employee costs	**282.0**	**88.0**	**28.9**	**93.1**	**492.0**
Purchase of goods and services	**908.2**	**228.7**	**63.6**	**(61.1)**	**1,139.4**
Adjusted EBITDA[1]	**1,261.3**	**24.6**	**4.9**	**(86.8)**	**1,204.0**
Depreciation and amortization					**426.8**
Financial expenses					**155.7**
Restructuring, impairment of assets and other					**6.4**
Other items					**(39.3)**
Income before income taxes					**$ 654.4**
Cash flows used for capital expenditures	**$ 330.9**	**$ 2.4**	**$ 3.0**	**$ 0.1**	**$ 336.4**

Six months ended June 30, 2025

	Telecommuni-cations	Media	Sports and Enter-tainment	Head office and Inter-segments	Total
Revenues	$ 2,346.9	$ 339.0	$ 101.2	$ (63.6)	$ 2,723.5
Employee costs	257.5	90.3	26.1	39.5	413.4
Purchase of goods and services	898.5	258.0	66.9	(68.0)	1,155.4
Adjusted EBITDA[1]	1,190.9	(9.3)	8.2	(35.1)	1,154.7
Depreciation and amortization					429.1
Financial expenses					178.5
Restructuring, impairment of assets and other					19.3
Other items					(8.6)
Income before income taxes					$ 536.4
Cash flows used for capital expenditures	$ 335.5	$ 8.1	$ 2.6	$ -	$ 346.2

[1] The Chief Executive Officer uses adjusted EBITDA as the measure of profit to assess the performance of each segment. Adjusted EBITDA is a non-IFRS measure and is defined as net income before depreciation and amortization, financial expenses, restructuring, impairment of assets and other, other items and income taxes.

See accompanying notes to condensed consolidated financial statements.

QUEBECOR INC.
CONSOLIDATED STATEMENTS OF EQUITY

(in millions of Canadian dollars)
(unaudited)

	Equity attributable to shareholders				Equity attributable to non-controlling interests	Total equity
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive (loss) income		
	(note 10)			(note 12)		
Balance as of December 31, 2024	$ 1,041.2	$ 17.4	$ 1,143.6	$ (45.0)	$ 107.5	$ 2,264.7
Net income (loss)	-	-	408.4	-	(7.9)	400.5
Other comprehensive income	-	-	-	59.5	-	59.5
Dividends	-	-	(161.2)	-	-	(161.2)
Repurchase of Class B Shares	(16.9)	-	(73.8)	-	-	(90.7)
Issuance of Class B Shares	1.3	0.5	-	-	-	1.8
Balance as of June 30, 2025	1,025.6	17.9	1,317.0	14.5	99.6	2,474.6
Net income	-	-	447.6	-	12.7	460.3
Other comprehensive income	-	-	-	82.5	0.1	82.6
Dividends	-	-	(160.0)	-	(0.4)	(160.4)
Repurchase of Class B Shares	(18.1)	-	(109.0)	-	-	(127.1)
Issuance of Class B Shares	5.3	1.7	-	-	-	7.0
Balance as of December 31, 2025	1,012.8	19.6	1,495.6	97.0	112.0	2,737.0
Net income	-	-	496.3	-	3.3	499.6
Other comprehensive income	-	-	-	(14.0)	2.2	(11.8)
Dividends	-	-	(180.2)	-	-	(180.2)
Repurchase of Class B Shares	(20.6)	-	(164.3)	-	-	(184.9)
Issuance of Class B Shares	0.8	0.7	-	-	-	1.5
Business acquisition (note 7)	-	-	-	-	118.9	118.9
Balance as of June 30, 2026	**$ 993.0**	**$ 20.3**	**$ 1,647.4**	**$ 83.0**	**$ 236.4**	**$ 2,980.1**

See accompanying notes to condensed consolidated financial statements.

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of Canadian dollars) (unaudited)	Note	Three months ended June 30 2026	 2025	Six months ended June 30 2026	 2025
Cash flows related to operating activities					
Net income		**$ 275.5**	$ 216.2	**$ 499.6**	$ 400.5
Adjustments for:					
Depreciation of property, plant and equipment		**126.2**	127.4	**252.6**	253.5
Amortization of intangible assets		**58.0**	54.3	**108.1**	111.7
Depreciation of right-of-use assets		**33.2**	32.1	**66.1**	63.9
Impairment of assets		**0.4**	0.9	**0.7**	1.5
Amortization of financing costs	4	**2.1**	2.4	**4.3**	4.7
Gain on revaluation of an equity interest	7	**(30.1)**	-	**(30.1)**	-
Share of results in associates		**0.2**	(2.0)	**(7.1)**	(8.6)
Deferred income taxes		**(3.5)**	(8.0)	**(38.3)**	(22.4)
Other		**(1.0)**	(0.9)	**(4.2)**	(2.0)
		461.0	422.4	**851.7**	802.8
Net change in non-cash balances related to operating activities		**108.6**	115.6	**138.2**	155.4
Cash flows provided by operating activities		**569.6**	538.0	**989.9**	958.2
Cash flows related to investing activities					
Capital expenditures	14	**(151.0)**	(163.7)	**(336.4)**	(346.2)
Deferred subsidies (used) received to finance capital expenditures	14	**(8.3)**	(3.4)	**(8.1)**	14.9
Business acquisitions	7	**(91.3)**	-	**(91.3)**	-
Proceeds from disposals of assets		**0.1**	0.6	**0.7**	0.7
Other		**2.9**	0.1	**5.5**	1.2
Cash flows used in investing activities		**(247.6)**	(166.4)	**(429.6)**	(329.4)
Cash flows related to financing activities					
Net change in short-term borrowings	8	**591.5**	(6.2)	**591.5**	(3.3)
Net change under revolving facilities, net of financing costs		**8.7**	59.4	**7.3**	59.4
Repayment of long-term debt	9	**(800.0)**	(400.0)	**(800.0)**	(400.0)
Repayment of lease liabilities		**(31.8)**	(30.3)	**(63.0)**	(60.2)
Issuance of Class B Shares	10	**0.6**	-	**0.8**	1.3
Repurchase of Class B Shares	10	**(99.7)**	(29.9)	**(184.9)**	(90.7)
Dividends		**(180.2)**	(161.2)	**(180.2)**	(161.2)
Cash flows used in financing activities		**(510.9)**	(568.2)	**(628.5)**	(654.7)
Net change in cash, cash equivalents and restricted cash		**(188.9)**	(196.6)	**(68.2)**	(25.9)
Effect of translation on cash and cash equivalents in foreign currencies		**(2.9)**	-	**(2.9)**	-
Cash, cash equivalents and restricted cash at beginning of period		**316.5**	266.7	**195.8**	96.0
Cash, cash equivalents and restricted cash at end of period	14	**$ 124.7**	$ 70.1	**$ 124.7**	$ 70.1

See accompanying notes to condensed consolidated financial statements.

QUEBECOR INC.

CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars)
(unaudited)

	Note	June 30 2026	December 31 2025
Assets			
Current assets			
Cash and cash equivalents		$ **97.6**	$ 160.6
Restricted cash	14	**27.1**	35.2
Accounts receivable		**1,043.9**	1,067.8
Contract assets		**95.7**	109.2
Inventories		**384.7**	414.3
Derivative financial instruments		**12.1**	-
Other current assets		**209.6**	195.2
		1,870.7	1,982.3
Non-current assets			
Property, plant and equipment		**3,224.1**	3,282.7
Intangible assets	7	**3,672.5**	3,441.9
Right-of-use assets		**374.9**	374.1
Goodwill	7	**2,892.2**	2,713.4
Derivative financial instruments		**81.4**	57.9
Deferred income taxes		**57.0**	42.0
Other assets		**781.9**	917.9
		11,084.0	10,829.9
Total assets		$ **12,954.7**	$ 12,812.2
Liabilities and equity			
Current liabilities			
Short-term borrowings	8	$ **661.0**	$ -
Accounts payable, accrued charges and provisions		**1,079.9**	1,142.2
Deferred revenue		**373.5**	376.3
Other current liabilities		**109.5**	95.6
Current portion of long-term debt	9	**410.1**	491.6
Current portion of lease liabilities		**113.7**	109.8
		2,747.7	2,215.5
Non-current liabilities			
Long-term debt	9	**5,681.5**	6,301.5
Lease liabilities		**300.0**	300.8
Derivative financial instruments		**-**	33.6
Deferred income taxes		**851.0**	871.7
Other liabilities		**394.4**	352.1
		7,226.9	7,859.7
Equity			
Capital stock	10	**993.0**	1,012.8
Contributed surplus		**20.3**	19.6
Retained earnings		**1,647.4**	1,495.6
Accumulated other comprehensive income	12	**83.0**	97.0
Equity attributable to shareholders		**2,743.7**	2,625.0
Non-controlling interests		**236.4**	112.0
		2,980.1	2,737.0
Total liabilities and equity		$ **12,954.7**	$ 12,812.2

See accompanying notes to condensed consolidated financial statements.

Quebecor Inc. (“Quebecor” or the “Corporation”) is incorporated under the laws of Québec. The Corporation’s head office and registered office is located at 612 rue Saint-Jacques, Montréal, Québec, Canada. Quebecor is a holding corporation with a 100% interest in Quebecor Media Inc. (“Quebecor Media”). Unless the context otherwise requires, Quebecor or the Corporation refers to Quebecor Inc. and its subsidiaries, and Quebecor Media refers to Quebecor Media Inc. and its subsidiaries.

The Corporation operates, through its subsidiaries, in the following industry segments: Telecommunications, Media, and Sports and Entertainment. The Telecommunications segment offers mobile and wireline telephony, Internet access, television distribution, business solutions and over-the-top (OTT) video services in Canada, as well as offering business support systems (BSS) solutions worldwide. The operations of the Media segment in Québec include the operation of an over-the-air television network and specialty television services, the operation of soundstage and equipment rental and postproduction services for the film and television industries, the printing, publishing and distribution of daily newspapers, the operation of news and entertainment digital platforms, the publishing and distribution of magazines, the production and distribution of audiovisual content, and out-of-home advertising. The activities of the Sports and Entertainment segment in Québec encompass the operation and management of the Videotron Centre in Québec City, show production, sporting and cultural event management, the publishing and distribution of books, the production of music, and the operation of a Quebec Maritimes Junior Hockey League team.

The Media segment experiences significant seasonality due, among other factors, to seasonal advertising patterns and influences on people’s viewing, reading and listening habits. Given that the Media segment depends on advertising sales for a significant portion of its revenue, operating results are also sensitive to prevailing economic conditions, as they may affect the advertising expenditures of corporations. Accordingly, the interim-period results of operations for the Media segment should not necessarily be considered indicative of its full-year results due to the seasonality of certain of its operations.

1. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB). However, they do not include all disclosures required under IFRS for annual consolidated financial statements. In particular, these consolidated financial statements were prepared in accordance with IAS 34, *Interim Financial Reporting*, and, accordingly, they are condensed consolidated financial statements. These condensed consolidated financial statements should be read in conjunction with the Corporation’s 2025 annual consolidated financial statements, which contain a description of the material accounting policies used in the preparation of these condensed consolidated financial statements.

These condensed consolidated financial statements were approved for issue by the Board of Directors of Quebecor on August 5, 2026.

Comparative figures for previous periods have been restated to conform to the presentation adopted for the three-month and six-month periods ended June 30, 2026.

On January 1, 2026, the Corporation adopted amendments to IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures*, clarifying, among other things, the date on which a financial asset or financial liability is derecognized if settled using an electronic payment system. The adoption of these amendments had no material impact on the consolidated financial statements.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

2. REVENUES

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Telecommunications:				
Mobile telephony	**$ 476.0**	$ 435.8	**$ 942.4**	$ 864.6
Internet	**320.8**	311.2	**643.5**	623.8
Television	**185.4**	187.5	**373.6**	377.7
Wireline telephony	**52.7**	58.6	**106.7**	118.5
Mobile equipment sales	**145.7**	151.0	**287.3**	277.3
Other	**54.0**	42.7	**98.0**	85.0
Media:				
Advertising	**89.2**	81.4	**159.3**	156.9
Subscription	**50.7**	46.5	**98.1**	90.2
Other	**44.9**	46.5	**83.9**	91.9
Sports and Entertainment	**48.4**	51.5	**97.4**	101.2
Inter-segments	**(27.6)**	(32.3)	**(54.8)**	(63.6)
	$ 1,440.2	$ 1,380.4	**$ 2,835.4**	$ 2,723.5

3. EMPLOYEE COSTS AND PURCHASE OF GOODS AND SERVICES

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Employee costs	**$ 312.0**	$ 255.2	**$ 605.4**	$ 507.7
Less employee costs capitalized to property, plant and equipment and to intangible assets	**(60.9)**	(47.5)	**(113.4)**	(94.3)
	251.1	207.7	**492.0**	413.4
Purchase of goods and services:				
Royalties, rights and creation costs	**155.0**	169.4	**331.1**	361.7
Cost related to products sold	**162.6**	157.3	**326.7**	296.0
Service and distribution contracts	**99.4**	94.1	**193.9**	194.8
Other	**144.7**	146.8	**287.7**	302.9
	561.7	567.6	**1,139.4**	1,155.4
	$ 812.8	$ 775.3	**$ 1,631.4**	$ 1,568.8

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

4. FINANCIAL EXPENSES

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Interest on long-term debt and short-term borrowings	**$ 69.5**	$ 81.8	**$ 140.7**	$ 164.9
Amortization of financing costs	**2.1**	2.4	**4.3**	4.7
Interest on lease liabilities	**5.1**	5.6	**10.4**	11.1
Loss (gain) on foreign currency translation on short-term monetary items	**1.3**	(3.2)	**1.0**	(2.2)
Other	**1.5**	(0.6)	**(0.7)**	–
	$ 79.5	$ 86.0	**$ 155.7**	$ 178.5

5. RESTRUCTURING, IMPAIRMENT OF ASSETS AND OTHER

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Restructuring[1]	**$ 2.4**	$ 8.1	**$ 4.5**	$ 10.6
Impairment of assets	**0.4**	0.9	**0.7**	1.5
Other[2]	**(0.5)**	7.0	**1.2**	7.2
	$ 2.3	$ 16.0	**$ 6.4**	$ 19.3

1 Relates to various cost reduction initiatives across the organization, including workforce reduction, mainly in the Media segment.

2 Includes the retroactive costs relating to an appeal court decision made in the second quarter of 2025 on tariffs for the retransmission of distant television signals in the Telecommunications segment and other items.

6. OTHER ITEMS

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Gain on revaluation of an equity interest (note 7)	**$ (30.1)**	$ –	**$ (30.1)**	$ –
Share of results in associates	**0.2**	(2.0)	**(7.1)**	(8.6)
Gain on exchangeable debentures[1]	**–**	–	**(2.1)**	–
	$ (29.9)	$ (2.0)	**$ (39.3)**	$ (8.6)

1 In January 2026, pursuant to the terms of the indentures, the Corporation redeemed its Series 2001 and Series Abitibi exchangeable debentures (combined principal amount of $844.9 million) for no consideration. The transaction resulted in a gain of $2.1 million.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

7. BUSINESS ACQUISITION

On April 21, 2026, Quebecor acquired Etiya by increasing its equity interest from 29% to 70% for a cash consideration of $163.1 million. Etiya, a global software company based in Turkey with more than 1,500 employees, is a leading provider of digital BSS platforms powered by artificial intelligence. This transaction supports the ongoing deployment by Videotron Ltd. (“Videotron”) of Etiya’s BSS platform across its Videotron and Freedom brands, building on the successful rollout at Fizz. It will also strengthen Etiya’s ability to deliver large-scale BSS transformation projects worldwide. The transaction has been accounted for using the acquisition method. As of June 30, 2026, the purchase price allocation remains preliminary and is expected to be finalized in the coming months.

The table below presents the preliminary fair values of the identifiable net assets acquired at the acquisition date:

Assets		
Intangible assets[1]	$	227.9
Goodwill[2]		175.6
Other assets (current and long-term)		33.4
Liabilities		
Short-term borrowings		(66.4)
Deferred income taxes		(5.4)
Other liabilities (current and long term)		(42.9)
Net assets acquired		**322.2**
Non-controlling interests		(118.9)
Total consideration	**$**	**203.3**
Cash consideration paid	$	163.1
Fair value of previously held equity interest[3]		114.4
Cash and cash equivalents acquired		(74.2)
Total consideration	**$**	**203.3**

1 Includes mainly software (BSS platform) and customer relationships.

2 The goodwill is not deductible for tax purposes.

3 The previously held equity interest in Etiya was remeasured to its fair value at the acquisition date, resulting in a gain of $30.1 million recognized in other items in the consolidated statement of income (note 6).

Etiya has been included in the Telecommunications segment. Consolidated revenue and net income for the six-month period ended June 30, 2026 would not have differed significantly if the acquisition of Etiya had been completed on January 1, 2026.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

8. SHORT-TERM BORROWINGS

	June 30, 2026	December 31, 2025
Commercial paper	**$ 599.6**	$ –
Other short-term borrowings	**61.4**	–
	$ 661.0	$ –

On April 1, 2026, Videotron established a commercial paper program in the United States by way of private placement, under which it may issue unsecured senior notes (ranking pari passu with its other unsecured and unsubordinated debt) with a maximum maturity of 364 days, up to an outstanding amount of US$1,000.0 million. Videotron's revolving credit facility is serving as a liquidity backstop and the foreign exchange risk related to the commercial paper is being fully hedged by Videotron.

9. LONG-TERM DEBT

Components of long-term debt are as follows:

	June 30, 2026	December 31, 2025
Total long-term debt	**$ 6,120.4**	$ 6,824.3
Financing costs, net of amortization	**(28.8)**	(31.2)
	6,091.6	6,793.1
Less current portion	**(410.1)**	(491.6)
	$ 5,681.5	$ 6,301.5

2026

On January 28, 2026, Videotron amended and restated its credit agreement to extend the term of the two existing tranches of its revolving credit facility: (i) the first tranche in the amount of $400.0 million now maturing in January 2031, and (ii) the second tranche in the amount of $400.0 million now maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. On the same day, Videotron also added two new tranches to its revolving credit facility: (i) a first tranche in the amount of US$250.0 million maturing in January 2031, and (ii) a second tranche in the amount of US$250.0 million maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. Certain conditions of the facilities were also amended.

During the second quarter of 2026, Videotron repaid the full $500.0 million outstanding under the second tranche of its term credit facility and $300.0 million of the $700.0 million outstanding under the third tranche. On July 8, 2026, Videotron made an additional repayment of $100.0 million under its term credit facility.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

9. LONG-TERM DEBT (continued)

2025

On April 15, 2025, Quebecor Media terminated its $300.0 million secured revolving credit facility.

On June 16, 2025, Videotron redeemed at maturity its Senior Notes in aggregate principal amount of $400.0 million, bearing interest at 5.625%.

10. CAPITAL STOCK

(a) Authorized capital stock

An unlimited number of Class A Multiple Voting Shares (“Class A Shares”) with voting rights of 10 votes per share convertible at any time into Class B Subordinate Voting Shares (“Class B Shares”) on a one-for-one basis.

An unlimited number of Class B Shares convertible into Class A Shares on a one-for-one basis, only if a takeover bid for Class A Shares is made to holders of Class A Shares without being made concurrently and under the same terms to holders of Class B Shares, for the sole purpose of allowing the holders of Class B Shares to accept the offer and subject to certain other stated conditions provided in the articles, including the acceptance of the offer by the majority holder.

Holders of Class B Shares are entitled to elect 25% of the Board of Directors of Quebecor. Holders of Class A Shares may elect the other members of the Board of Directors.

(b) Issued and outstanding capital stock

	Class A Shares		Class B Shares	
	Number	Amount	Number	Amount
Balance as of December 31, 2025	74,836,275	$ 8.3	152,282,773	$ 1,004.5
Class A Shares converted into Class B Shares	(93,953)	–	93,953	–
Shares purchased and cancelled	–	–	(3,124,900)	(20.6)
Shares issued upon exercise of stock options	–	–	24,333	0.8
Balance as of June 30, 2026	**74,742,322**	**$ 8.3**	**149,276,159**	**$ 984.7**

Repurchase of shares

On August 6, 2025, the Corporation filed a normal course issuer bid for a maximum of 1,000,000 Class A Shares representing approximately 1.3% of issued and outstanding Class A Shares, and for a maximum of 5,000,000 Class B Shares representing approximately 3.2% of issued and outstanding Class B Shares as of August 1, 2025. The purchases can be made from August 15, 2025 to August 14, 2026, at prevailing market prices on the open market through the facilities of the Toronto Stock Exchange or other alternative trading systems. All shares purchased under the bid will be cancelled.

On May 13, 2026, the Corporation received approval from the Toronto Stock Exchange to amend its normal course issuer bid in order to increase the maximum number of Class B Shares that may be repurchased to 7,000,000 Class B Shares, representing approximately 4.5% of the Class B Shares public float as of August 1, 2025. No other terms of the normal course issuer bid have been amended.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

10. CAPITAL STOCK (continued)

(b) Issued and outstanding capital stock (continued)

Repurchase of shares (continued)

On August 5, 2026, the Corporation authorized a normal course issuer bid for a maximum of 1,000,000 Class A Shares representing approximately 1.3% of issued and outstanding Class A Shares, and for a maximum of 7,000,000 Class B Shares representing approximately 4.7% of issued and outstanding Class B Shares as of July 31, 2026. The purchases can be made from August 15, 2026 to August 14, 2027, at prevailing market prices on the open market through the facilities of the Toronto Stock Exchange or other alternative trading systems. All shares purchased under the bid will be cancelled.

During the six-month period ended June 30, 2026, the Corporation purchased and cancelled 3,124,900 Class B Shares for a total cash consideration of $184.9 million (2,570,000 Class B Shares for a total cash consideration of $90.7 million in 2025). The excess of $164.3 million of the purchase price over the carrying value of Class B Shares repurchased was recorded as a reduction of retained earnings ($73.8 million in 2025).

Issuance of shares

During the six-month period ended June 30, 2026, 24,333 Class B Shares were issued upon the exercise of stock options for a cash consideration of $0.8 million (48,444 Class B Shares for a cash consideration of $1.3 million in 2025). As a result of this transaction, contributed surplus was increased by $0.7 million and stock-based compensation liability was reduced by the same amount ($0.5 million in 2025).

Dividends

On August 5, 2026, the Corporation declared a dividend of $0.45 per share on Class A Shares and Class B Shares, or approximately $100.8 million, payable on September 15, 2026, to shareholders of record at the close of business on August 21, 2026.

11. STOCK-BASED COMPENSATION PLANS

The following table provides details of changes to outstanding options in the Quebecor stock-based compensation plan in which management of the Corporation and its subsidiaries participate, for the six-month period ended June 30, 2026:

	Outstanding options	
	Number	Weighted average exercise price
As of December 31, 2025	14,059,086	$ 34.24
Exercised	(1,090,997)	32.66
Cancelled	(33,000)	42.33
As of June 30, 2026	**12,935,089**	**$ 34.36**
Vested options as of June 30, 2026	**1,023,304**	**$ 32.49**

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

11. STOCK-BASED COMPENSATION PLANS (continued)

During the three-month period ended June 30, 2026, 17,666 Class B Shares of Quebecor were issued upon the exercise of stock options (none in 2025) and 744,089 stock options of Quebecor were exercised for a cash consideration of $20.3 million (661,995 stock options of Quebecor for a cash consideration of $4.1 million in 2025). During the six-month period ended June 30, 2026, 24,333 Class B Shares of Quebecor were issued upon the exercise of stock options (note 10) (48,444 Class B Shares issued in 2025) and 1,066,664 stock options of Quebecor were exercised for a cash consideration of $28.0 million (1,102,139 stock options of Quebecor for a cash consideration of $6.1 million in 2025).

For the three-month period ended June 30, 2026, a $63.3 million charge was recorded related to all stock-based compensation plans ($23.8 million in 2025). For the six-month period ended June 30, 2026, a $130.1 million charge was recorded related to all stock-based compensation plans ($43.3 million in 2025).

12. ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO SHAREHOLDERS

	Cash flow hedges[1]	Foreign currency translation	Defined benefit plans	Equity investment	Total
Balance as of December 31, 2024	$ (92.3)	$ (36.6)	$ 97.7	$ (13.8)	$ (45.0)
Other comprehensive income (loss)	43.5	(3.1)	–	19.1	59.5
Balance as of June 30, 2025	(48.8)	(39.7)	97.7	5.3	14.5
Other comprehensive income (loss)	24.0	47.7	13.2	(2.4)	82.5
Balance as of December 31, 2025	(24.8)	8.0	110.9	2.9	97.0
Other comprehensive (loss) income	(22.0)	13.8	–	(5.8)	(14.0)
Balance as of June 30, 2026	**$ (46.8)**	**$ 21.8**	**$ 110.9**	**$ (2.9)**	**$ 83.0**

[1] No significant amount is expected to be reclassified in income over the next 12 months in connection with derivatives designated as cash flow hedges. The balance is expected to reverse over an 8½-year period.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

In accordance with IFRS 13, *Fair Value Measurement*, the Corporation considers the following fair value hierarchy, which reflects the significance of the inputs used in measuring its financial instruments:

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

The fair value of short-term borrowings and long-term debt is estimated based on quoted market prices when available or on valuation models using Level 1 and Level 2 inputs. When the Corporation uses valuation models, the fair value is estimated based on discounted cash flows using period-end market yields or the market value of similar instruments with the same maturity.

The fair value of derivative financial instruments recognized on the consolidated balance sheets is estimated as per the Corporation's valuation models. These models project future cash flows and discount the future amounts to a present value using the contractual terms of the derivative financial instrument and factors observable in external market data, such as period-end swap rates and foreign exchange rates (Level 2 inputs). An adjustment is also included to reflect non-performance risk, impacted by the financial and economic environment prevailing at the date of the valuation, in the recognized measure of the fair value of the derivative financial instruments by applying a credit default premium, estimated using a combination of observable and unobservable inputs in the market (Level 3 inputs), to the net exposure of the counterparty or the Corporation. Derivative financial instruments are classified as Level 2.

The carrying value and fair value of short-term borrowings, long-term debt and derivative financial instruments as of June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026		December 31, 2025	
Asset (liability)	**Carrying value**	**Fair value**	Carrying value	Fair value
Short-term borrowings	**$ (661.0)**	**$ (661.0)**	$ –	$ –
Long-term debt[1]	**(6,120.4)**	**(6,117.7)**	(6,824.3)	(6,849.3)
Derivative financial instruments				
Foreign exchange forward contracts	**4.5**	**4.5**	(1.5)	(1.5)
Interest rate swaps	**(3.8)**	**(3.8)**	(7.2)	(7.2)
Cross-currency swaps	**92.8**	**92.8**	33.0	33.0

[1] The carrying value of long-term debt excludes financing costs.

(tabular amounts in millions of Canadian dollars, except for per share data and option data)

14. ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended June 30		Six months ended June 30	
	2026	2025	**2026**	2025
Cash flows used for capital expenditures				
Additions to property, plant and equipment[1]	**$ 88.1**	$ 123.3	**$ 229.7**	$ 269.3
Additions to intangible assets (excluding acquisitions of spectrum licences)	**62.9**	40.4	**106.7**	76.9
	151.0	163.7	**336.4**	346.2
Cash, cash equivalents and restricted cash consist of				
Cash	**$ 58.1**	$ 21.0	**$ 58.1**	$ 21.0
Cash equivalents	**39.5**	–	**39.5**	–
Restricted cash[2]	**27.1**	49.1	**27.1**	49.1
	124.7	70.1	**124.7**	70.1
Interest and income taxes reflected as operating activities				
Cash interest payments	**$ 73.4**	$ 100.0	**$ 149.6**	$ 169.9
Cash income tax payments (net of refunds)	**61.8**	29.9	**177.6**	110.4

1 In the respective three-month and six-month periods ended June 30, 2026, deferred subsidies of $8.3 million and $15.7 million ($3.4 million in the three-month and six-month periods ended June 30, 2025) have been used and are presented as a reduction of the related additions to plant, property and equipment.

2 Restricted cash represents the unused balance of subsidies received in advance as part of the Québec government's initiatives to roll out telecommunications services in regions.