EDEN CARE COMMUNITIES MANAGEMENT INC.

Non-Consolidated Financial Statements

Year Ended March 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The non-consolidated financial statements of Eden Care Communities Management Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Eden Care Communities Management Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit and Finance Committee. The Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The non-consolidated financial statements have been audited on behalf of the members by MWC Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.

Chief Executive Officer

Chair

Regina, SK
September 30, 2025

Chartered Professional
Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Eden Care Communities Management Inc.

Opinion

We have audited the non-consolidated financial statements of Eden Care Communities Management Inc. and its subsidiaries (the "Group"), which comprise the non-consolidated statement of financial position as at March 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Group as at March 31, 2025, and the non-consolidated results of its operations and non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements* section of our report. We are independent of the Group in accordance with ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements

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

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

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

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Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

MWC LLP

Chartered Professional Accountants

Regina, Saskatchewan
September 30, 2025

EDEN CARE COMMUNITIES MANAGEMENT INC.

Non-Consolidated Statement of Financial Position

March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	**$ 69,500**	$ 54,037
Accounts receivable	**15,551**	-
Goods and services tax recoverable	**55,945**	18,572
Prepaid expenses	**15,097**	23,243
Due from related parties *(Note 5)*	**-**	90,809
	156,093	186,661
PROPERTY AND EQUIPMENT *(Note 3)*	**461**	24,597
DUE FROM RELATED PARTIES *(Note 5)*	**5,925,967**	8,632,755
	$ 6,082,521	$ 8,844,013
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	**$ 137,243**	$ 147,898
Wages payable	**170,563**	224,265
Employee deductions payable	**11,546**	15,588
Payable to Saskatchewan Health Authority *(Note 4)*	**597,871**	-
Current portion of long term debt *(Note 6)*	**-**	90,809
	917,223	478,560
LONG TERM DEBT *(Note 6)*	**-**	2,849,445
DUE TO RELATED PARTIES *(Note 5)*	**16,097,528**	18,490,247
	17,014,751	21,818,252
NET ASSETS	**(10,932,230)**	(12,974,239)
	$ 6,082,521	$ 8,844,013

GUARANTEE *(Note 7)*

ON BEHALF OF THE BOARD

___________________________________ *Director*

___________________________________ *Director*

See accompanying notes to financial statements

EDEN CARE COMMUNITIES MANAGEMENT INC.

Non-Consolidated Statement of Operations

Year Ended March 31, 2025

	2025	2024
REVENUES		
Payroll and administrative services *(Note 5)*	**$ 2,380,817**	$ 1,996,700
Interest from related parties	**187,140**	122,403
Expense recoveries	**38,008**	2,590
Miscellaneous	**1,270**	3,336
Grants and sponsorships	**20**	1,250
	2,607,255	2,126,279
EXPENSES		
Salaries and benefits	**1,484,493**	2,140,538
Professional fees	**634,616**	82,088
Interest on long term debt	**177,068**	121,731
Occupancy costs	**115,318**	177,196
General and administrative expenses	**89,077**	123,173
IT service contracts	**67,724**	211,702
Insurance	**16,479**	12,575
Travel	**9,017**	4,602
Amortization	**2,139**	54,803
Supplies	**932**	1,792
Repairs and maintenance	**860**	2,687
Education	**475**	731
Fundraising	**-**	1,108
	2,598,198	2,934,726
EXCESS OF REVENUES (EXPENSES) FROM OPERATIONS	**9,057**	(808,447)
OTHER INCOME (EXPENSES)		
Forgiveness of related party loans *(Note 5)*	**2,041,778**	-
Loss on disposal of property and equipment	**(8,826)**	(58,290)
	2,032,952	(58,290)
EXCESS OF REVENUES (EXPENSES)	**$ 2,042,009**	$ (866,737)

Non-Consolidated Statement of Changes in Net Assets

Year Ended March 31, 2025

	2025	2024
NET DEBT - BEGINNING OF YEAR	**$ (12,974,239)**	$ (12,107,502)
EXCESS OF REVENUES (EXPENSES)	**2,042,009**	(866,737)
NET DEBT - END OF YEAR	**$ (10,932,230)**	$ (12,974,239)

See accompanying notes to financial statements

EDEN CARE COMMUNITIES MANAGEMENT INC.

Non-Consolidated Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues (expenses)	**$ 2,042,009**	$ (866,737)
Items not affecting cash:		
Amortization of property and equipment	**2,139**	54,803
Loss on disposal of property and equipment	**8,826**	58,290
Forgiveness of related party loans	**(2,041,778)**	-
	11,196	(753,644)
Changes in non-cash working capital:		
Accounts receivable	**(15,551)**	670
Accounts payable	**(10,653)**	(93,995)
Prepaid expenses	**8,146**	3,800
Goods and services tax payable	**(37,373)**	(11,675)
Due from related parties	**90,809**	(3,651)
Wages payable	**(53,702)**	(50,648)
Employee deductions payable	**(4,042)**	(10,638)
	(22,366)	(166,137)
Cash flow used by operating activities	**(11,170)**	(919,781)
INVESTING ACTIVITY		
Proceeds on disposal of property and equipment	**13,170**	-
FINANCING ACTIVITIES		
Advances from related parties	**2,355,846**	1,121,069
Due to Saskatchewan Health Authority	**597,871**	-
Repayment of long term debt	**(2,940,254)**	(83,297)
Cash flow from financing activities	**13,463**	1,037,772
INCREASE IN CASH FLOW	**15,463**	117,991
CASH (DEFICIENCY) - BEGINNING OF YEAR	**54,037**	(63,954)
CASH - END OF YEAR	**$ 69,500**	$ 54,037

See accompanying notes to financial statements

1. PURPOSE OF THE ORGANIZATION

Eden Care Communities Management Inc. (the "Corporation") is a not-for-profit organization incorporated provincially under the Non-profit Corporations Act of Saskatchewan. The Corporation is a registered charity, exempt from income tax, and is responsible for the management of all companies in the Eden Care Communities Group (Eden Group) which include: Eden Care Health Inc., Eden Care Communities Foundation Inc., Milton Heights Inc., Broadway Terrace Inc., and Eden Care Village Inc. The Regina Lutheran Housing Corporation and Eden Care Suites Inc. dissolved in the year.

These financial statements report only the direct operations of the Corporation and separate consolidated financial statements are prepared for the Eden Care Communities Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The non-consolidated financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Revenue recognition

Payroll and administrative services are recognized in the period the services are provided. Recoveries and miscellaneous are recognized when received, or receivable if the amount can be estimated and collection is assured.

Eden Care Communities Management Inc. follows the restricted fund method of accounting for contributions which includes grants and sponsorships.

Restricted contributions of the General Fund are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions restricted by external parties are recognized as revenue of the appropriate restricted fund in the year received, or receivable if the amount can be estimated and collecting is reasonably assured.

Interest is recognized in the period earned per the inter-company agreements.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life at the following rates and methods:

Equipment	5 - 10 years	straight-line method

The Corporation regularly reviews its property and equipment to eliminate obsolete items. In the year of acquisition one half years amortization is taken.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Employee future benefits

The employees of the Corporation participate in several multi-employer pension plans. The Corporation's obligation is limited to making required employer contributions and not for managing the plans themselves, accordingly, the contributions are expensed in the year.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

Financial assets including cash and accounts receivable are reported at amortized cost.

Financial liabilities including accounts payable, accrued liabilities and long term debt are measured at amortized cost.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount in the financial statements. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Equipment	$ 23,367	$ 22,906	**$ 461**	$ 24,597

4. DUE TO SASKATCHEWAN HEALTH AUTHORITY

On the dissolution of Regina Lutheran Housing Corporation the residual operating assets and liabilities were to be transferred to the Saskatchewan Housing Authority (SHA). A settlement amount has not been reach and as at year end $597,871 remains owing to SHA.

5. RELATED PARTIES

The Corporation is part of the Eden Care Group of companies which are all under common governance and management through Eden Care Communities Management Inc. The Group includes Eden Care Communities Management Inc., Milton Heights Inc., Broadway Terrace Inc., Eden Care Health Inc., Eden Care Village Inc., and Eden Care Communities Foundation Inc. The Regina Lutheran Housing Corporation and Eden Care Suites Inc. discontinued operations and were dissolved in the year.

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5. RELATED PARTIES *(continued)*

Related party loans arise from inter-company transactions and have no set repayment terms, bear interest at the lending company's discretion at 2% and are unsecured.

	2025	2024
Due from related parties		
Eden Care Health Inc.	**$ 5,925,967**	$ 4,917,472
Eden Care Health Inc. - promissory note #1	**-**	2,940,255
Eden Care Health Inc. - promissory note #2	**-**	570,218
Eden Care Suites Inc.	**-**	295,619
	5,925,967	8,723,564
Current portion of promissory note #1	**-**	(90,809)
	$ 5,925,967	$ 8,632,755
Due to related parties		
Broadway Terrace Inc.	**$ 14,970,250**	$ 14,991,930
Milton Heights Inc.	**1,004,028**	1,101,185
Regina Lutheran Housing Corporation	**-**	2,257,197
Eden Care Communities Foundation Inc.	**123,250**	139,935
	$ 16,097,528	$ 18,490,247

Related party revenues (expenses) are recorded on the following basis: Payroll and administrative services are based on management's estimate of the Corporation's utilization of ECM employees and are recorded at cost, all administrative service costs incurred by ECM are allocated based on managements best estimate of services rendered and other service are recorded at the fair exchange value.

	2025	2024
Payroll and administrative services revenue		
Eden Care Health Inc.	**$ 1,016,846**	$ 666,480
Broadway Terrace Inc.	**959,544**	731,359
Milton Heights Inc.	**294,920**	124,037
Regina Lutheran Housing Corporation	**101,211**	453,162
Eden Care Communities Foundation Inc.	**8,296**	20,705
Eden Care Suites Inc.	**-**	957
	$ 2,380,817	$ 1,996,700
Forgiveness of related party loans		
Regina Lutheran Housing Corporation	**$ 2,345,205**	$ -
Eden Care Suites Inc.	**(303,427)**	-
	$ 2,041,778	$ -
Interest revenue on related party loan		
Eden Care Health Inc.	**$ 191,477**	$ 122,019

6. LONG TERM DEBT

	2025	2024
Conexus loan #1	$ -	$ 2,612,383
Conexus loan #2	-	327,871
	-	2,940,254
Amounts payable within one year	-	(90,809)
	$ -	$ 2,849,445

Property securing the loans was sold during the year and the loans were settled in full.

7. GUARANTEE

The Corporation, has guaranteed the mortgage of Broadway Terrace Inc. totaling $18,612,998 (2024 - $18,748,998) at yearend. Under the terms of the agreement the Corporation agrees to satisfy all the terms, conditions, and requirements of the mortgage should the related party default. The mortgage is secured by a conventional first mortgage charge on the Broadway Terrace property and a general security agreement.

The Corporation, together with other companies of the Eden Group, has guaranteed an operating demand loan for Broadway Terrace Inc. for up to $600,000. As of yearend $Nil (2024 - $257,461) has been drawn on this facility.

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and management is responsible to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Corporation not being able to liquidate assets in a timely manner at a reasonable price.

The Corporation meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

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8. FINANCIAL INSTRUMENTS *(continued)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities.