NexLiving communities inc.

Unaudited Interim Condensed Consolidated Financial Statements

September 30, 2026 and 2025

(expressed in Canadian dollars)

November 12, 2026

Management's Report

The accompanying unaudited interim condensed consolidated financial statements of NexLiving Communities Inc. are the responsibility of management and have been approved by the Board of Directors. The unaudited interim condensed consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). The unaudited interim condensed consolidated financial statements include certain amounts and assumptions that are based on management's best estimates and have been derived with careful judgment.

In fulfilling its responsibilities, management has developed and maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the financial records are reliable for preparation of the unaudited interim condensed consolidated financial statements. The Audit Committee of the Board of Directors reviewed and approved the Company's unaudited interim condensed consolidated financial statements and recommended their approval by the Board of Directors.

These financial statements have not been reviewed by the external auditor of the Company.

(signed) *"Stavro Stathonikos"*
Chief Executive Officer
Toronto, Ontario

(signed) *"Ahmed Shethwala"*
Chief Financial Officer
Toronto, Ontario

NexLiving Communities Inc.

Unaudited Interim Condensed Consolidated Statements of Financial Position

As at September 30, 2026 and December 31, 2025

(expressed in Canadian dollars)

	September 30, 2026 $	December 31, 2025 $
Assets		
Current assets		
Cash	13,217,570	3,390,027
Accounts receivable	473,635	464,363
Deposits, prepaids and other assets (note 4)	9,303,668	5,947,024
	22,994,873	9,801,414
Investment in joint venture (note 5)	2,277,123	2,060,941
Investment properties (note 6)	459,091,000	450,132,000
	484,362,996	461,994,355
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	2,668,059	4,190,046
Current portion of mortgages payable (note 8)	52,894,560	53,604,233
	55,562,619	57,794,279
Mortgages payable (note 8)	268,455,073	259,063,232
Deferred income taxes	9,275,000	6,000,000
	333,292,692	322,857,511
Equity (note 9)	151,070,304	139,136,844
	484,362,996	461,994,355

Subsequent events (note 14)

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

NexLiving Communities Inc.

Unaudited Interim Condensed Consolidated Statements of Income and Comprehensive Income

For the three-month and nine-month periods ended September 30, 2026 and 2025

(expressed in Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Revenue	8,806,650	8,631,338	26,428,037	25,822,301
Property operating expenses	(3,292,073)	(3,307,018)	(10,366,668)	(10,410,052)
Net property operating income	5,514,577	5,324,320	16,061,369	15,412,249
Expenses				
Administrative expenses	(406,100)	(416,825)	(1,787,137)	(1,619,068)
Stock-based compensation (note 9)	(129,300)	(122,200)	(374,200)	(360,100)
	(535,400)	(539,025)	(2,161,337)	(1,979,168)
Finance costs				
Interest expense	(2,574,041)	(2,468,537)	(7,557,225)	(7,549,759)
Accretion expense (note 8)	(343,203)	(352,950)	(1,049,103)	(1,058,851)
Amortization expense (note 8)	(163,518)	(152,730)	(478,306)	(466,843)
	(3,080,762)	(2,974,217)	(9,084,634)	(9,075,453)
Other income				
Interest income	21,994	4,506	39,050	40,091
Income from equity-accounted investment (note 5)	56,635	51,166	115,067	83,112
Gain on sale of investment properties	113,441	-	180,760	-
Fair value adjustment to investment properties	480,729	416,985	11,513,019	8,463,471
	672,799	472,657	11,847,896	8,586,674
Net income before income taxes	2,571,214	2,283,735	16,663,294	12,944,302
Income tax expense	-	-	(1,245)	(21,000)
Deferred income tax expense	(125,000)	(150,000)	(3,275,000)	(2,425,000)
Net income and comprehensive income for the periods	2,446,214	2,133,735	13,387,049	10,498,302
Net income per share – basic (note 11)	$0.07	$0.06	$0.41	$0.32
Net income per share – diluted (note 11)	$0.07	$0.06	$0.40	$0.32

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

NexLiving Communities Inc.

Unaudited Interim Condensed Consolidated Statements of Changes in Equity

For the nine-month periods ended September 30, 2026 and 2025

(expressed in Canadian dollars)

	Number of shares #	Share capital $	Contributed surplus $	Retained earnings $	Total $
Balance – December 31, 2025	32,585,516	111,618,789	6,066,964	21,451,091	139,136,844
Net income and comprehensive income for the period	–	–	–	13,387,049	13,387,049
Repurchase of common shares (note 9)	(390,500)	(1,337,623)	481,745	–	(855,878)
Dividends paid	–	–	–	(971,911)	(971,911)
Stock-based compensation (note 9)	–	–	374,200	–	374,200
Balance – September 30, 2026	32,195,016	110,281,166	6,922,909	33,866,229	151,070,304

	Number of shares #	Share capital $	Contributed surplus $	Retained earnings $	Total $
Balance – December 31, 2024	32,877,782	112,633,148	5,175,921	18,416,418	136,225,487
Net income and comprehensive income for the period	–	–	–	10,498,302	10,498,302
Shares issued pursuant to redemption of DSUs (note 9)	14,534	35,858	(49,400)	–	(13,542)
Repurchase of common shares (note 9)	(202,000)	(691,234)	348,964	–	(342,270)
Dividends paid	–	–	–	(982,461)	(982,461)
Stock-based compensation (note 9)	–	–	360,100	–	360,100
Balance – September 30, 2025	32,690,316	111,977,772	5,835,585	27,932,259	145,745,616

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

NexLiving Communities Inc.

Unaudited Interim Condensed Consolidated Statements of Cash Flows

For the nine-month periods ended September 30, 2026 and 2025

(expressed in Canadian dollars)

	2026 $	2025 $
Cash provided by (used in)		
Operating activities		
Net income and comprehensive income for the periods	13,387,049	10,498,302
Charges to income not affecting cash		
Interest expense	7,557,225	7,549,759
Stock-based compensation expense (note 9)	374,200	360,100
Change in fair value of investment properties (note 6)	(11,513,019)	(8,463,471)
Amortization expense	478,306	466,843
Accretion expense	1,049,103	1,058,851
Share of profit from joint venture	(115,067)	(83,112)
Gain on sale of investment properties	(180,760)	-
Deferred income tax expense	3,275,000	2,425,000
	14,312,037	13,812,272
Net changes in non-cash working capital balances related to operations		
Accounts receivable	(9,272)	(260,707)
Deposits and prepaids	(1,356,644)	(1,305,490)
Accounts payable and accrued liabilities	(51,237)	(3,064,410)
	12,894,884	9,181,665
Financing activities		
Repurchase of common shares for cancellation	(855,878)	(342,270)
Repayment of capital expenditure facility	-	(237,761)
Interest paid	(7,527,975)	(7,195,597)
Proceeds from mortgage financing, net of costs	55,753,495	25,447,974
Repayments of mortgage principal (note 8)	(48,598,736)	(24,438,255)
Payment of dividends	(971,911)	(982,461)
	(2,201,005)	(7,748,370)
Investing activities		
Transaction costs paid (notes 6 & 7)	(1,500,000)	-
Deposits paid for acquisition of investment property (note 4)	(2,000,000)	(4,590,000)
Investment in joint venture (note 5)	(101,108)	(1,930,771)
Net proceeds from sale of investment properties (note 6)	4,805,646	-
Additions to investment properties (note 6)	(2,070,874)	(1,680,529)
	(866,336)	(8,201,300)
Change in cash during the period	9,827,543	(6,768,005)
Cash – Beginning of period	3,390,027	8,498,774
Cash – End of period	13,217,570	1,730,769

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

1 Nature of operations

NexLiving Communities Inc. (the Company) was incorporated under the Canada Business Corporations Act on August 9, 2011. Its registered office is located at 202-550 Queen Street East, Toronto, Ontario, M5A 1V2, Canada. The Company's business is the ownership and management of multi-unit residential real estate with a focus on low-and mid-rise properties in secondary markets in Canada. The common shares of the Company are listed on the TSX Venture Exchange (TSXV or the Exchange) under the symbol NXLV.

2 Basis of presentation and statement of compliance

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information normally included in annual financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, has been omitted or condensed. These interim condensed consolidated financial statements should be read in conjunction with the Company's annual audited financial statements for the year ended December 31, 2025.

The Board of Directors approved the consolidated financial statements for issue on November 12, 2026.

3 Material accounting policy information

Basis of consolidation

These financial statements have been prepared using the same accounting policies and methods of computation as the annual financial statements of the Company for the year ended December 31, 2025, except as described below. Refer to note 3 Material accounting policy information, of the Company's annual consolidated financial statements for the year ended December 31, 2025, for information on accounting policies, as well as new accounting standards not yet effective.

New accounting standards and amendments adopted

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

  In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments, which amend IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments clarify the date on which a financial asset or a financial liability is recognized and derecognized, and introduce an optional exception permitting an entity to derecognize a financial liability settled in cash through an electronic payment system before the settlement date, provided the entity no longer has the practical ability to withdraw, stop or cancel the payment instruction, no longer has the practical ability to access the cash to be paid in settlement, and the settlement risk associated with the electronic payment system is insignificant. The amendments also clarify the assessment of the contractual cash flow characteristics of financial assets, including financial assets with contingent features and financial assets with non-recourse features, and introduce additional disclosure requirements for equity instruments designated at fair value through other comprehensive income and for financial instruments with contingent features.

3 Material accounting policy information (continued)

New accounting standards and amendments adopted (continued)

The Company adopted the amendments effective January 1, 2026. The Company has not elected to apply the optional exception described above and continues to derecognize financial liabilities settled through electronic payment systems on the settlement date. The amendments were applied retrospectively and, as permitted by the transitional provisions, prior periods have not been restated. The adoption of the amendments did not have a material impact on these condensed consolidated interim financial statements.

4 Deposits and prepaids

The following table summarizes the deposits and prepaids as at September 30, 2026 and December 31, 2025:

	September 30, 2026 $	December 31, 2025 $
Deposits	7,615,359	4,867,198
Prepaids	1,688,309	1,079,826
	9,303,668	5,947,024

On September 25, 2025, the Company entered into an agreement to acquire 108 townhomes under construction in the Barrhaven suburb of Ottawa, ON, for a total purchase price of $43.5 million. Construction is expected to be completed by early 2027, and the acquisition will close upon completion. The Company has made a $4.35 million deposit for the purchase, representing 10% of the purchase price.

As at September 30, 2026, deposits includes $2.0 million, which comprises of refundable deposits made in connection with investment properties under agreement.

5 Investment in joint venture

On May 1, 2025, the Company acquired a 50% ownership interest in a portfolio comprising 169 suites across eight multi-residential properties located in Winnipeg, Manitoba for $1.9 million. The portfolio was financed with CMHC insured mortgages totaling approximately $14.4 million, bearing a weighted-average interest rate of 2.72% and a remaining average term to maturity of approximately three years. The Company has joint and several guarantees on the mortgage facilities within the joint venture.

The following tables represent the financial position of the Company's equity accounted investee on a 100% basis:

5 Investment in joint venture (continued)

	September 30, 2026 $	December 31, 2025 $
Current assets	67,055	43,176
Non-current assets	19,168,456	19,126,686
Current liabilities	(233,075)	(216,276)
Non-current liabilities	(14,448,190)	(14,831,704)
Net assets	4,554,246	4,121,882
The Company's interest	2,277,123	2,060,941

	Three months ended September 30,		Nine months ended September 30,	
	2026 $	2025 $	2026 $	2025 $
Revenue	455,695	448,552	1,323,974	738,769
Operating expenses	(247,742)	(249,687)	(808,435)	(411,356)
Net property operating income	207,953	198,865	515,539	327,413
Interest	(94,683)	(96,531)	(285,405)	(161,189)
Net income	113,270	102,334	230,134	166,224
The Company's interest	56,635	51,167	115,067	83,112

6 Investment properties

The following table summarizes the changes in investment properties for the nine-month period ended September 30, 2026 and the year ended December 31, 2025:

	September 30, 2026 $	December 31, 2025 $
Balance – Beginning of period	450,132,000	446,965,000
Transaction costs	–	1,500,000
Additions during the period	2,144,602	2,721,822
Disposal of investment properties	(4,698,621)	(1,850,000)
Fair value adjustments	11,513,019	795,178
Balance – End of period	459,091,000	450,132,000

In September 2026, the Company completed the sale of four of the eight duplexes comprising its Rue du Progrès property in Gatineau, QC, for aggregate gross proceeds of $2.1 million.

6 Investment properties (continued)

On February 11, 2026, the Company completed the sale of the 15-unit property located at 24–28 Rue de la Futaie in Gatineau, QC for $2.9 million.

The fair value of investment properties is a Level 3 fair value measurement. The fair value represents the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All investment properties acquired to date were arm's length transactions and the purchase prices were supported by independent appraisals. Fair value is estimated using the capitalized net operating income method with the 12-month forward net operating income stabilized for any non-recurring expenses divided by a market capitalization rate. Key assumptions include the capitalization rate, forecasted rental income and vacancies and forecasted operating expenses for each specific property.

The September 30, 2026 capitalization rates used to value the Company's investment properties ranged from 5.00% to 6.00%, and the weighted average capitalization rate was 5.09% (December 31, 2025 – ranged from 4.65% to 5.75% with a weighted average capitalization rate of 5.04%).

The following table summarizes the impact of changes in capitalization rates and stabilized net operating income on the fair value of the Company's investment properties.

		Change in stabilized NOI				
		(2.00)%	**(1.00)%**	**–%**	**1.00%**	**2.00%**
		$	**$**	**$**	**$**	**$**
Change in capitalization rate	**(0.50)%**	39,851,000	44,942,000	50,033,000	55,124,000	60,216,000
	(0.25)%	14,066,000	18,895,000	23,723,000	28,551,000	33,379,000
	–%	(9,180,000)	(4,589,000)	–	4,589,000	9,180,000
	0.25%	(30,256,000)	(25,880,000)	(21,504,000)	(17,129,000)	(12,753,000)
	0.50%	(49,443,000)	(45,263,000)	(41,083,000)	(36,903,000)	(32,722,000)

7 Accounts payable and accrued liabilities

As at September 30, 2026 and December 31, 2025, accounts payable and accrued liabilities consist of the following:

	September 30, 2026	**December 31, 2025**
	$	**$**
Accounts payable	2,031,905	1,565,816
Transaction costs (note 6)	-	1,500,000
Accrued expenses	636,154	1,124,230
	2,668,059	4,190,046

8 Mortgages payable

	September 30, 2026 $	December 31, 2025 $
Mortgages payable	330,773,869	321,634,603
Less: Fair value adjustment on assumed mortgages	(3,135,759)	(4,184,862)
Less: Unamortized deferred financing costs	(6,288,477)	(4,782,276)
	321,349,633	312,667,465
Less: Current portion	(52,894,560)	(53,604,233)
	268,455,073	259,063,232

As at September 30, 2026, all of the Company's investment properties had been pledged as security against the mortgages payable. During 2025, the Company repaid its variable rate non-revolving demand construction loan.

The Company's mortgages bear interest at a weighted average interest rate of 3.37% (2025 – 3.11%) with a remaining weighted average term to maturity of 3.4 years (2025 – 3.5 years). The fair value of mortgages payable is approximately $333.6 million and has been determined by discounting the future cash flows using discount rates that reflect current market conditions for instruments with similar terms and risks.

The following table summarizes the changes in the aggregate mortgage values for the periods ended September 30, 2026 and December 31, 2025:

	September 30, 2026 $	December 31, 2025 $
Balance – Beginning of period	312,667,465	311,027,184
Mortgage proceeds	57,738,002	26,408,775
Repayments	(48,598,736)	(25,929,975)
Accretion expense	1,049,103	1,411,801
Additions to finance costs	(1,984,507)	(783,070)
Amortization of finance costs	478,306	532,750
Balance – End of period	321,349,633	312,667,465

The annual principal and interest payments in relation to the mortgages payable over the 12-month periods ending September 30 are as follows:

8 Mortgages payable (continued)

	Interest payable $	Principal repayment $	Maturing weighted average interest rate %
2027	10,359,646	52,894,560	2.91%
2028	8,726,876	72,744,818	3.54%
2029	6,230,752	35,780,790	3.80%
2030	5,084,343	56,486,790	2.52%
2031	3,826,692	25,195,791	2.61%
Thereafter	4,878,020	87,671,120	4.07%

9 Share capital

a) Authorized capital stock

Unlimited number of common shares, without nominal or par value
Unlimited number of preferred shares, without nominal or par value, issuable in one or more series

Common shares issued and fully paid:

	Number of shares #	Amount $
Balance – December 31, 2024	32,877,782	112,633,148
Shares issued pursuant to redemption of DSUs	14,534	35,858
Shares repurchased for cancellation	(202,000)	(691,234)
Balance – September 30, 2025	32,690,316	111,977,772
Balance – December 31, 2025	32,585,516	111,618,789
Shares repurchased for cancellation	(390,500)	(1,337,623)
Balance – September 30, 2026	32,195,016	110,281,166

b) Security-based compensation plans

The shareholders of the Company approved the adoption of an omnibus equity compensation plan (the Plan) on June 4, 2025. The Plan replaces the Company's deferred share unit plan and share option plan. The principal amendments to such predecessor plans are to allow for the issuance of stock options, stock appreciation rights (SARs), deferred share units (DSUs), restricted share units (RSUs) and performance share units (PSUs) pursuant to the Plan. The

9 Share capital (continued)

b) Security-based compensation plans (continued)

purpose of the Plan is to attract and retain directors, officers, employees, consultants and management company employees of NexLiving, and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through security-based compensation awards, which are exercisable or can be settled by the issuance of common shares of the Company.

The aggregate number of common shares to be awarded under the Plan will be a rolling maximum number that will not be greater than 10% of the issued and outstanding common shares at any point in time. As at September 30, 2026, the Company has awarded only DSUs and stock options under the Plan, and the maximum number of common shares remaining available for issuance under the Plan is 1,830,851.

Pursuant to the Plan, directors may elect to receive all or a portion of their annual fees, if any, in DSUs. The election, if it is made, can be for an amount between 0% and 100% of such compensation in DSUs. The number of DSUs received is equal to the amount of compensation elected to be received in DSUs, divided by the market price of the common shares on the TSXV on the date of grant.

In addition, the Board of Directors has the authority to make discretionary awards of DSUs to participants under the Plan. DSUs granted pursuant to discretionary awards will vest in accordance with the vesting schedule determined by the Board of Directors. Generally, DSUs will vest equally over three years, with one-third of the awarded DSUs vesting on each of the first, second and third anniversaries of the date of the award. As at September 30, 2026, a total of 1,056,900 (December 31, 2025 – 788,900) DSUs were outstanding, of which 528,434 (December 31, 2025 – 326,466) DSUs have vested.

All unvested DSUs will vest immediately in the case of a change of control of the Company. In addition, in the event of the death or termination without cause of a participant who received DSUs, the participant's DSUs will vest immediately. The Board of Directors may at any time shorten the vesting period of any or all DSUs.

Each DSU held by a participant must be redeemed by the Company within ten years of grant for common shares issued from treasury or cash settled. As the Company does not have a stated intent of which settlement method will be used, the DSUs were accounted for based on past practice as equity settled, as all DSUs have been settled through the issuance of shares to date. Each vested DSU held by a participant who ceases to be an eligible employee, director or officer shall be redeemed by the Company effective as at the separation date for Plan shares issued from treasury or cash settled.

On May 14, 2026, the Board of Directors approved the issuance of 125,000 DSUs to directors of the Company. The DSUs vest over three years in accordance with the provisions of the Company's Plan. The fair value per DSU granted was $1.92.

On April 9, 2026, the Board of Directors approved the issuance of 143,000 DSUs to officers and management of the Company. The DSUs vest over three years in accordance with the provisions of the Company's Plan. The fair value per DSU granted was $1.95.

9 Share capital (continued)

b) Security-based compensation plans (continued)

On June 24, 2025, the Board of Directors approved the issuance of 120,000 DSUs to directors and management of the Company. The DSUs vest over three years in accordance with the provisions of the Company's Plan. The fair value per DSU granted was $1.86.

On February 26, 2025, the Board of Directors approved the issuance of 198,200 DSUs to an officer of the Company. The DSUs vest over three years in accordance with the provisions of the Company's Plan. The fair value per DSU granted was $1.66.

The Company charged $374,200 in non-cash stock-based compensation to operations for the nine months ended September 30, 2026 (September 30, 2025 – $360,100), of which $360,100 (September 30, 2025 – $341,600) related to DSUs issued to officers and directors of the Company.

The following table summarizes the changes in the Company's DSUs for the nine-month periods ended September 30, 2026 and 2025.

	Number of DSUs #
Balance – December 31, 2024	493,200
Issued during the year	318,200
Redeemed during the period	(22,500)
Balance – September 30, 2025	788,900
Balance – December 31, 2025	788,900
Issued during the year	268,000
Balance – September 30, 2026	1,056,900

In accordance with the Plan, stock options may be granted to directors, officers, employees and consultants. The exercise price of the stock options is determined by the Board of Directors when the options are granted, but it cannot be less than the closing price of the Company's shares on the TSXV on the business day immediately preceding the day on which the option is granted. The maximum exercise period of the stock options is ten years.

In determining the stock-based compensation expense, the fair value of options issued is estimated at the grant date using the Black-Scholes option pricing model. Option pricing models require the input of highly subjective assumptions, including the expected volatility.

No options were issued during the nine months ended September 30, 2026 and 2025. Options granted and outstanding at September 30, 2026, and December 31, 2025 totaled 52,500, of which 15,000 have an exercise price of $4.80 and expire May 15, 2030, and 37,500 have an exercise price of $3.80 and expire April 20, 2031.

9 Share capital (continued)

b) Security-based compensation plans (continued)

Options vested and exercisable as at September 30, 2026, totaled 52,500 with a weighted average exercise price of $4.09 per share.

c) Share repurchases

Pursuant to a notice of intention to make a normal course issuer bid (NCIB) filed with the TSXV, the Company may repurchase for cancellation up to 1,500,000 common shares in its own capital stock during the period from June 3, 2026 to June 2, 2027.

The price that the Company will pay for any such common shares will be the prevailing market price at the time of acquisition. All common share purchases under the NCIB will be made on the open market through the facilities of the TSXV, other designated exchanges and/or alternative Canadian trading systems and will be purchased for cancellation. The funding for any purchase pursuant to the NCIB will be financed out of the working capital of the Company.

During the nine-month period ended September 30, 2026, the Company purchased for cancellation 390,500 shares at a cost of $855,878. The excess of the historical book value of the shares over the purchase price of $481,745 has been recorded to contributed surplus, and $1,337,623 has been charged to share capital.

10 Related party transactions

Management and board compensation

Key management includes the Company's officers and directors.

	Three months ended September 30,	
	2026	**2025**
	$	**$**
Cash and accrued compensation	128,750	95,000
Stock-based compensation (note 9(b))	123,700	121,900
	252,450	216,900

	Nine months ended September 30,	
	2026	**2025**
	$	**$**
Cash and accrued compensation	524,250	468,333
Stock-based compensation (note 9(b))	360,100	341,600
	884,350	809,933

10 Related party transactions (continued)

Property operating expenses

The Company holds assets and conducts operations within the same geographic region as entities under the control of two of its directors. In the normal course of business, the Company entered into a cost sharing arrangement with these related parties, resulting in expenditures totaling $212,946 during 2026 (September 30, 2025 - $436,570). Additionally, the Company engaged a telecommunications provider controlled by one director to deliver services to its tenants, incurring costs of $193,338 (September 30, 2025 - $197,175).

11 Earnings per share

	Three months ended September 30,					
	2026			2025		
	Income $	Weighted average shares #	Per share amount $	Income $	Weighted average shares #	Per share amount $
Net income per share – basic	2,446,214	32,834,153	0.07	2,133,735	33,016,782	0.06
Dilutive impact of stock options and DSUs	–	288,412	–	–	167,865	–
Net income per share – diluted	2,446,214	33,122,565	0.07	2,133,735	33,184,647	0.06

	Nine months ended September 30,					
	2026			2025		
	Income $	Weighted average shares #	Per share amount $	Income $	Weighted average shares #	Per share amount $
Net income per share – basic	13,387,049	32,876,124	0.41	10,498,302	33,090,374	0.32
Dilutive impact of stock options and DSUs	–	278,833	–	–	163,484	–
Net income per share – diluted	13,387,049	33,154,957	0.40	10,498,302	33,253,858	0.32

The Company's potentially dilutive instruments include the stock options and DSUs. For the three months and nine months ended September 30, 2026 and 2025, the stock options were anti-dilutive and the DSUs were dilutive.

12 Capital management

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company. The Company considers capital to be shareholders' equity, which at September 30, 2026 totalled $151,070,304 (December 31, 2025 - $139,136,844). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to externally imposed capital requirements.

13 Financial instruments and other

Interest rate risk

The Company is exposed to interest rate risk on its borrowings and could be adversely affected if it were unable to obtain cost-effective financing. This risk is mitigated as 100% of the Company's interest bearing financial liabilities have fixed rates of interest. Assuming a 100 basis point increase in interest rates, financing costs would increase by approximately $3.3 million over time.

Credit risk

Credit risk arises from the possibility that tenants may experience financial difficulty and will be unable to fulfill their lease commitments. The Company attempts to mitigate its credit risk by ensuring its tenant mix is heavily weighted to creditworthy tenants. The Company further manages credit risk by holding its cash with high quality financial institutions in Canada, where management believes the risk of loss to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations. The Company has financed acquisitions of investment properties with mortgages, which are periodically required to be refinanced based on

the prevailing market conditions at the end of the mortgage term. Within the next 12 months, mortgages totalling $49.3 million will mature. Management expects to renew the maturing mortgages during the year and has begun discussion with the lenders.

Management believes it has access, through its working capital, operating cash flows and expected mortgages renewals, to sufficient capital to meet the Company's obligations for the next 12 months.

14 Subsequent events

On November 12, 2026, the Company declared a dividend of $0.01 per common share for the quarter ending December 31, 2026, representing $0.04 per share on an annualized basis. The dividend is payable on December 24, 2026, to shareholders of record on December 4, 2026.

Subsequent to September 30, 2026, the Company purchased and cancelled a total of 83,300 shares pursuant to its NCIB for a total cost of $194,575, representing an average share price of $2.34 per share.