GENESIS LAND DEVELOPMENT CORP.

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 and 2023

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MANAGEMENT'S REPORT

To the Shareholders of **Genesis Land Development Corp.:**

The consolidated financial statements and all information in the Management's Discussion and Analysis ("MD&A") are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with the accounting policies in the notes to the consolidated financial statements. In the opinion of management, the consolidated financial statements have been prepared within acceptable limits of materiality, and are in accordance with International Financial Reporting Standards ("IFRS") appropriate in the circumstances. The financial information in the MD&A has been reviewed by management to ensure consistency with the consolidated financial statements.

Management maintains appropriate systems of internal control. Policies and procedures are designed to give reasonable assurance that transactions are properly authorized, assets are safeguarded and financial records properly maintained to provide reliable information for the preparation of consolidated financial statements.

The consolidated financial statements have been further examined by the Board of Directors and by its Audit Committee, which meets regularly with the auditors and management to review the activities of each. The Audit Committee is composed of three independent directors, and reports to the Board of Directors.

MNP LLP, an independent firm of Chartered Professional Accountants, was engaged to audit the consolidated financial statements in accordance with Canadian generally accepted auditing standards and IFRS to provide an independent auditors' opinion.

/s/ Iain Stewart
Chief Executive Officer

/s/ Rob Sekhon
Chief Financial Officer

March 5, 2025

To the Shareholders of Genesis Land Development Corp.:

Opinion

We have audited the consolidated financial statements of Genesis Land Development Corp. and its subsidiaries (the "Corporation"), which comprise the consolidated balance sheets as at December 31, 2024 and December 31, 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2024 and December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits 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 Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Real estate held for development and sale

Key Audit Matter Description	*Audit Response*
Real estate held for development and sale As at December 31, 2024, approximately 76% of the Corporation's total assets or $440.8 million are comprised of real estate held for development and sale. Real estate held for development and sale should be measured at low of cost or net realizable value. The determination of the net realizable value of real estate held for development and sale is considered to be a significant estimate and risk of material misstatement. Each valuation requires consideration of various inputs including but not limited to the type of the real estate, its location, stage of development and comparable market transactions. We therefore considered real estate held for development and sale as a key audit matter.	We responded to this matter by performing procedures in relation to real estate held for development and sale. Our audit work in relation to this included, but was not restricted to, the following: •For certain real estate held for development and sale we obtained the independent appraisals completed for the Corporation's real estate holdings. We verified management had appropriately deducted future development costs and estimated selling costs from the appraised values to determine the net realizable value. We compared the carrying value to the estimated net realizable value. •We obtained a reliance letter from the experts and confirmed their professional qualifications and their role as specialists. •We engaged our valuation expert to review the independent appraisals to verify the methodology used by the independent appraisers was generally accepted.

Key Audit Matter Description	Audit Response
	•For real estate held for development and sale in which no appraisal was obtained, we assessed the carrying value based on recent sales made in the various phases by using the average sales amount of the lots that are sold in the same phase during the reporting period. We performed a recalculation using the current year average sale price, multiplied by the number of lots remaining in each phase. We ensured expected future development costs and estimated selling costs were applied to the values in order to analyze the reasonability of net realizable value when compared to the carrying values in the general ledger. •For real estate properties held for development and sale where no independent appraisal was available and no sales transactions had occurred, we obtained a net realizable value analysis prepared by management. We conducted a review of this analysis, focusing on the underlying assumptions employed by management. We performed procedures to ensure that the inputs utilized and the analytical methodologies applied were consistent with prevailing market conditions. •We assessed the appropriateness of the disclosures relating to the assumptions used in real estate held for development and sale in the notes to the consolidated financial statements.

Provision for future land development costs.

Key Audit Matter Description	*Audit Response*
Provision for future development costs. The Corporation has obligations related to the completion of land under development and housing projects. The Corporation recognizes a liability for the future costs to be incurred. The liability recognized for future land development and housing projects costs involves data inputs which rely on significant judgment from management, as well as significant reliance on the estimates made by third party engineers and architects. As such, future development and housing projects costs are susceptible to risk of material misstatement due to the subjective nature of assumptions. We therefore considered the provision for future development costs as a key audit matter.	We responded to this matter by performing procedures in relation to provision for future development costs. Our audit work in relation to this included, but was not restricted to, the following: •We obtained copies of the estimated cost reports prepared by independent experts (engineers and architects) engaged by management. •We obtained a reliance letter from the independent experts in which we confirmed the objectives of the expert's procedures. We also held discussions with the experts to obtain an understanding of the estimation process. •For internally estimated future development costs, we had thorough discussions with managers in the land and home divisions of the Corporation to understand management's estimation process. We considered the reasonableness of the internal estimates based on known historical and current information. We compared prior year costs to complete ("CTC") balance to current year CTC by community and analyzed significant variances to ensure the change is reasonable. •We also compared estimates in managements calculation to the reports obtained from independent engineer specialists. In addition, we recalculated the allocation of community costs to specific development phases and completed analytical procedures based on percentage of sold lots to identify unexpected and unusual variances in expected CTC balance.

Other Information

Management is responsible for the other information. The other information comprises:
• Management’s Discussion and Analysis.
• The information, other than the consolidated financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.
We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation’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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation’s financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Corporation’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 Corporation’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 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Corporation as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Scott Laluk.

Calgary, Alberta

MNP LLP

March 5, 2025

Chartered Professional Accountants

GENESIS LAND DEVELOPMENT CORP.
CONSOLIDATED BALANCE SHEETS
(In thousands of Canadian dollars)

	Notes	December 31, 2024	December 31, 2023
Assets			
Real estate held for development and sale	5	**440,792**	342,791
Amounts receivable	6	**66,363**	28,156
Vendor-take-back mortgage receivable	7	**641**	1,976
Investments in land development entities	8	**26,551**	7,160
Investment in other real estate entity	9	**4,029**	3,581
Other operating assets	10	**9,614**	10,907
Right-of-use assets	11	**705**	482
Deferred tax assets	12	**7,609**	7,484
Cash and cash equivalents		**21,414**	37,546
Total assets		**577,718**	440,083
Liabilities			
Loan and credit facilities	13	**133,494**	103,587
Customer deposits	14	**19,577**	17,470
Accounts payable and accrued liabilities	22a	**26,795**	22,579
Accounts payable related to residential lot purchases	22a	**63,374**	32,319
Lease liabilities	11	**953**	712
Income tax payable		**10,091**	1,706
Provision for future development costs	15	**36,236**	20,569
Total liabilities		**290,520**	198,942
Commitments and contingencies	21		
Subsequent events	13b, 17a		
Equity			
Share capital	16	**82,263**	82,293
Contributed surplus		**1,063**	1,063
Retained earnings		**183,154**	147,786
Shareholders' equity		**266,480**	231,142
Non-controlling interest		**20,718**	9,999
Total equity		**287,198**	241,141
Total liabilities and equity		**577,718**	440,083

See accompanying notes to the consolidated financial statements.

ON BEHALF OF THE BOARD:

/s/ **Stephen J. Griggs**
Director and Chair

/s/ **Steven Glover**
Director and Chair of the Audit Committee

GENESIS LAND DEVELOPMENT CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2024 and 2023
(In thousands of Canadian dollars except per share amounts)

	Notes	Year ended December 31, 2024	2023
Revenues			
Sales revenue		**360,920**	203,202
Other revenue		**141**	110
	23	**361,061**	203,312
Direct cost of sales		**(264,537)**	(157,481)
Reversal of write-down of real estate held for development and sale	5	**-**	700
		(264,537)	(156,781)
Gross margin		**96,524**	46,531
Gain in fair value on investments in land development entities	8	**2,326**	1,106
General and administrative	18	**(23,360)**	(18,098)
Selling and marketing	19	**(13,510)**	(8,484)
		(34,544)	(25,476)
Earnings from operations		**61,980**	21,055
Finance income		**1,774**	1,543
Finance expense	20	**(7,908)**	(4,373)
Earnings before income taxes		**55,846**	18,225
Income tax expense	12	**(12,053)**	(4,162)
Net earnings being comprehensive earnings		**43,793**	14,063
Attributable to non-controlling interest	24, 25	**4,196**	(449)
Attributable to equity shareholders		**39,597**	14,512
Net earnings per share - basic and diluted	16b	**0.70**	0.26

See accompanying notes to the consolidated financial statements.

GENESIS LAND DEVELOPMENT CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2024 and 2023
(In thousands of Canadian dollars except number of shares)

		Equity attributable to Corporation's shareholders						
		Common shares - Issued						
	Notes	Number of Shares	Amount	Contributed Surplus	Retained Earnings	Total Shareholders' Equity	Non-Controlling Interest	Total Equity
At December 31, 2022		56,863,335	82,383	1,063	141,186	224,632	2,705	227,337
Dividends	16d	-	-	-	(9,663)	(9,663)	-	(9,663)
Normal course issuer bid	16c	(61,027)	(90)	-	(45)	(135)	-	(135)
Distributions		-	-	-	-	-	(1,398)	(1,398)
Changes of ownership interest / Contribution	24	-	-	-	1,796	1,796	9,141	10,937
Net earnings (loss) being comprehensive earnings (loss)		-	-	-	14,512	14,512	(449)	14,063
At December 31, 2023		**56,802,308**	**82,293**	**1,063**	**147,786**	**231,142**	**9,999**	**241,141**

At December 31, 2023		56,802,308	82,293	1,063	147,786	231,142	9,999	241,141
Dividends	16d	-	-	-	(11,074)	(11,074)	-	(11,074)
Normal course issuer bid	16c	(20,282)	(30)	-	(21)	(51)	-	(51)
Changes of ownership interest / Contribution	24	-	-	-	6,866	6,866	6,523	13,389
Net earnings being comprehensive earnings		-	-	-	39,597	39,597	4,196	43,793
At December 31, 2024		**56,782,026**	**82,263**	**1,063**	**183,154**	**266,480**	**20,718**	**287,198**

See accompanying notes to the consolidated financial statements.

GENESIS LAND DEVELOPMENT CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023
(In thousands of Canadian dollars)

		Year ended December 31,	
	Notes	**2024**	**2023**
Operating activities - inflows (outflows)			
Residential home sales		**258,970**	167,673
Residential lot sales		**49,825**	16,948
Development land sales		**18,887**	14,237
Proceeds from sale of ownership interest in Limited Partnerships	24	**16,440**	11,760
Interest		**1,774**	1,543
Residential home construction		**(127,881)**	(104,662)
Land development		**(68,754)**	(68,146)
Lots and land acquisitions		**(86,022)**	(19,590)
Suppliers and employees		**(30,334)**	(24,056)
Income tax		**(5,844)**	(3,332)
Other		**494**	(174)
Cash flows from (used in) operating activities		**27,555**	(7,799)
Investing activities			
Investment in joint venture	9	**(455)**	-
Acquisition of equipment		**(1,483)**	(663)
Change in restricted cash		**38**	1,325
Investments in land development entities	8	**(15,746)**	-
Distributions received from joint ventures	8	**3,590**	676
Cash flows (used in) from investing activities		**(14,056)**	1,338
Financing activities			
Advances from loans and credit facilities	13	**71,269**	82,887
Repayments of loans and credit facilities	13	**(79,788)**	(59,450)
Repayment of vendor-take-back mortgage payable	13c	**(4,522)**	-
Interest and fees paid on loans and credit facilities		**(5,465)**	(5,244)
Distributions to unit holders of limited partnerships		**-**	(986)
Repurchase of shares under NCIB	16c	**(51)**	(135)
Dividends paid	16d	**(11,074)**	(9,663)
Cash flows (used in) from financing activities		**(29,631)**	7,409
Change in cash and cash equivalents		**(16,132)**	948
Cash and cash equivalents, beginning of year		**37,546**	36,598
Cash and cash equivalents, end of year		**21,414**	37,546

See accompanying notes to the consolidated financial statements.

1. DESCRIPTION OF BUSINESS

Genesis Land Development Corp. (the "Corporation" or "Genesis") was incorporated under the Business Corporation Act (Alberta) on December 2, 1997.

The Corporation is engaged in the acquisition, development and sale of land, residential lots and homes in the greater Calgary area. The Corporation reports its activities as two business segments: land development and home building.

The Corporation is listed for trading on the Toronto Stock Exchange under the symbol "GDC". Genesis' head office and registered office are located at 6240, 333 - 96 Ave. NE, Calgary, AB T3K 0S3.

The consolidated financial statements of Genesis were approved for issuance by the Board of Directors on March 5, 2025.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The significant accounting policies of the Corporation are set out below. These policies have been consistently applied to each of the years presented, unless otherwise indicated.

a) **Statement of compliance**

These consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

b) **Basis of presentation**

The consolidated financial statements have been prepared under the historical cost convention except for the financial assets classified as fair value through profit or loss and deferred share units that have been measured at fair value. The consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency, and all values are rounded to the nearest thousand, except per share values and where otherwise indicated.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

c) **Basis of consolidation**

The consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiaries, as well as the consolidated revenues, expenses, assets, liabilities and cash flows of limited partnership entities that the Corporation controls. When the Corporation has less than 50% equity ownership in these limited partnership entities, the Corporation may still have control over these entities' activities, projects, financial and operating policies due to contractual arrangements. Accordingly, the accounts of the limited partnerships have been consolidated in the Corporation's financial statements.

Controlled entities are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continues to be consolidated until the date when such control ceases. Control exists when the Corporation has the power, directly or indirectly, to govern the financial and operating policies of an entity. All intra-group transactions, balances, dividends and unrealized gains and losses resulting from intra-group transactions are eliminated on consolidation.

Non-controlling interests represent the portion of profit or loss and net assets not owned by the Corporation and are presented separately from shareholders' equity in the consolidated statements of comprehensive income and within equity in the consolidated balance sheets. Losses within a controlled entity are attributed to the non-controlling interest even if that results in a deficit balance.

d) **Revenue recognition**

(i) Residential lot sales

Lot sales to third parties are recognized when the Corporation's performance obligations are satisfied, and transfer of control has passed to the purchaser.

Performance obligations are considered satisfied when the Corporation has the ability to release the lot to the purchaser after agreed to services pertaining to the property have been substantially performed.

Indicators of transfer of control to a purchaser include a present right to payment at the closing date of the contract, the purchaser having full access to the lot and the purchaser's ability to obtain a building permit from the relevant authority, all indicating that significant risk and rewards of ownership have been transferred to the purchaser who has signed a contract and has made a minimum 15% non-refundable deposit. In order to mitigate credit risk, the Corporation does not transfer title to sold residential lots until full payment is received.

Deposits received upon signing of contracts for purchases of lots on which revenue recognition criteria have not been met are recorded as customer deposits.

(ii) Development land sales

Development land sales to third parties are recognized when the Corporation's performance obligations are satisfied, and transfer of control has passed to the purchaser.

Performance obligations are satisfied after agreed to services pertaining to the property have been substantially performed.

Indications of transfer of control to a purchaser include registering the subdivision plan with the land titles office and transferring title of the land to the purchaser on receipt of full payment, all indicating significant risk and rewards of ownership are transferred to the purchaser. In situations where extended payment terms are provided to a purchaser, an appropriate rate of interest is included, and the Corporation secures appropriate security for the remaining unpaid portion before title to the land is transferred to the purchaser.

Deposits received upon signing of contracts for purchases of land on which revenue recognition criteria have not been met are recorded as customer deposits.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

(iii) Residential home sales

Home sales to third parties are recognized when the Corporation's performance obligations are satisfied, and transfer of control has passed to the purchaser.

Performance obligations are considered satisfied when title to the completed home is conveyed to the purchaser, at which time all proceeds are received or collection is reasonably assured.

Deposits received from customers upon signing of contracts for purchases of completed homes for which revenue recognition criteria have not been met are recorded as customer deposits.

(iv) Finance income

Finance income is recognized as it accrues using the effective interest rate method.

(v) Other revenue

Rental income is recognized on a straight-line basis over the term of the rental agreement. Rental income is incidental to ownership of real estate and does not result in classification of real estate as investment property. All real estate is classified as inventory. Deposits forfeited are recognized as income.

e) Real estate held for development and sale

Land under development, land held for future development and housing projects under construction are inventory and are measured at the lower of cost and estimated net realizable value ("NRV"). NRV is the estimated selling price in the ordinary course of the business at the balance sheet date, less costs to complete and estimated selling costs.

Cost includes land acquisition costs, other direct costs of development and construction, borrowing costs, property taxes and legal costs. These costs are allocated to each phase of the project in proportion to saleable acreage.

f) Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of the funds. The acquisition or construction of real estate assets takes a substantial period of time, often multi-year to develop it for its intended use or sale. Borrowing costs attributable to real estate held for development and sale are recorded as part of the respective inventory carrying cost from the date of commencement of development work until the date of completion. All other borrowing costs are expensed in the period in which they are incurred. The recording of interest to inventory is suspended if the project's development is suspended for a prolonged period.

g) Property and equipment

Property and equipment is stated at cost, net of any accumulated depreciation and accumulated impairment losses. Depreciation is provided on all operating property and equipment based on the straight-line method over the estimated useful lives of the property and equipment. The useful lives of the properties are as follows:

- Vehicles and other equipment — 5 years
- Office equipment and furniture — 7 years
- Computer hardware and software — 3 years
- Showhome furniture — 3 years
- Leasehold improvements — Lesser of useful life of the improvement or the lease term

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

h) Income taxes

Income tax is recognized in the consolidated statements of comprehensive income except to the extent that it related to items recognized directly in equity, in which case it is recognized in equity.

Income taxes comprise the following:

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be paid to tax authorities, net of recoveries, using tax rates and laws that are enacted or substantively enacted as at the balance sheet date.

(ii) Deferred tax

Deferred tax is provided at the balance sheet date using the liability method on all temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available, against which deductible temporary differences, carried forward tax credits or tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

The Corporation's consolidated financial statements include some entities that are limited partnerships (note 25) and are not subject to income taxes. The income or loss for Canadian tax purposes is attributable to the taxable income of the limited partners in accordance with the provisions of the Income Tax Act (Canada). The calculation of income tax expense reflects the exclusion of taxable income allocated to limited partners that form part of the non-controlling interest.

i) Cash and cash equivalents

Cash and cash equivalents consist of cash held with banks and short-term deposits with an original maturity of three months or less.

j) Leases

The Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

k) **Financial assets**

Financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The three primary measurement categories for financial assets are: amortized cost, fair value through profit and loss ("FVTPL"), and fair value through other comprehensive income ("FVOCI").

Financial assets measured at amortized cost are assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial instruments classified as amortized cost are initially measured at fair value plus directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest rate method, less impairment. The amortization and losses arising from impairment are recognized in the consolidated statements of comprehensive income.

Financial assets at FVOCI are assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL are assets that do not meet the criteria for amortized cost or FVOCI. Financial assets classified as FVTPL are carried on the balance sheet at fair value with changes in fair value recognized in the consolidated statements of comprehensive income. Transaction costs are expensed as incurred.

Financial assets are derecognized when the contractual rights to the cash flows from the asset expire, or the Corporation transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained is recognized as a separate asset or liability.

Loss allowance for trade receivables is calculated using the expected lifetime credit loss model and recorded at the time of initial recognition. Title to land sold is typically transferred on receipt of full payment from the purchaser. In situations where extended payment terms are provided to a purchaser, the Corporation secures adequate security for the remaining unpaid portion before title to the land is transferred to the purchaser. The Corporation experiences no material impact of the loss allowance for trade receivables due to the above. The expected loss allowance using the lifetime credit loss approach, has no material impact on the consolidated financial statements.

The Corporation recognizes bad debt expense or recovery relating to amounts receivable on sold lots, net of the value of the related sold lots, on the termination of the relevant agreement, which are taken back into the Corporation's lot inventory. Bad debt expense or recovery is included in the Corporation's general and administrative expenses.

l) **Financial liabilities**

The classification of financial liabilities is determined by the Corporation at initial recognition. The classification categories are: amortized cost and FVTPL.

Financial liabilities classified as amortized cost are financial liabilities initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the consolidated statements of comprehensive income.

Financial liabilities measured at FVTPL are financial liabilities measured at fair value with changes in fair value and interest expense recognized in the consolidated statements of comprehensive income.

Financial liabilities are derecognized when the contractual obligations are discharged, cancelled or expire.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

Financial assets and financial liabilities are offset, and the net amount presented on the balance sheet when, and only when, the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Corporation's financial instruments (assets and liabilities) are classified as follows:

• Amounts receivable	Amortized cost
• Vendor-take-back mortgage receivable	Amortized cost
• Investments in land development entities	FVTPL
• Restricted cash	FVTPL
• Cash	FVTPL
• Cash equivalents	Amortized cost
• Loan and credit facilities	Amortized cost
• Deposits	Amortized cost
• Accounts payable and accrued liabilities	Amortized cost
• Cash settled deferred share units	FVTPL

m) **Earnings per share**

The amount of basic earnings per share is calculated by dividing the comprehensive earnings attributable to equity holders by the weighted average number of shares outstanding during the period.

n) **Provision for future development costs**

The Corporation sells land, lots and homes for which Genesis is responsible to pay for future development costs. For land development, the provision for future development costs represents the estimated remaining construction costs related to previously sold land, including all direct and indirect costs expected to be incurred during the remainder of the servicing period, net of expected recoveries. The provision is reviewed periodically and, when the estimate is known to be different from the actual costs incurred or expected to be incurred, an adjustment is made to the provision for future development costs and a corresponding adjustment is made to land under development and/or cost of sales. For home building, the provision for future development costs represents the costs likely to be incurred on remaining seasonal work and estimated warranty charges over the one-year warranty period.

o) **Share-based compensation**

The Corporation has a long-term incentive plan comprised of a deferred share unit ("DSU") plan.

Deferred share unit plan

DSUs are notional common shares of the Corporation that do not settle until the recipient leaves the Corporation. The Corporation's DSU plan allows for the participants to receive cash-settled DSUs. The fair value of DSUs and the cash payment, when made, is based on the common share price of the Corporation at the relevant time. Vesting provisions for DSUs are determined at the time of issuance.

The fair value of the DSUs is recognized as share-based compensation expense, with a corresponding increase in accrued liabilities over the vesting period. The amount recognized as an expense is based on the estimate of the number of DSUs expected to vest. DSUs are measured at their fair value at each reporting period end on a mark-to-market basis. The accrued liability is reduced on the cash payout of any DSU.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

p) **Investment in other real estate entity**

The Corporation has an interest in a joint venture, Sage Hill Estates Apartments LP, ("SHEA LP" or the "JV") which is a jointly controlled entity. The Corporation recognizes its interest in the operations of the JV using the equity method of accounting and it is included as a part of general and administrative expense.

q) **Changes in ownership interests**

During the year ended December 31, 2024, the Corporation sold 40% of its ownership stake in Huxley Lands Limited Partnership ("HLLP") to two Calgary based third party home builders (note 24). During the year ended December 31, 2023, the Corporation sold 40% of its ownership stake in Lewiston Lands Limited Partnership ("LLLP") to two Calgary based third party home builders (note 24). These transactions resulted in a change in ownership interest while still retaining control and are accounted for as a transaction with equity holders. As a result, no gain or loss was recognized in profit or loss; instead, gain or loss was recognized in equity. The interests of the parent and non-controlling interest ("NCI") in the controlled entity have been adjusted to reflect the relative change in the interest in the controlled entity's equity. The amount by which the NCI is adjusted, and the fair value of the consideration paid or received is recognized directly in retained earnings in shareholders' equity and attributed to the owners of the parent.

r) **Significant accounting judgments and estimates**

The preparation of consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. On an ongoing basis, management evaluates its judgments and estimates in relation to revenues, expenses, assets and liabilities. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The following are the most significant accounting judgments and estimates made by the Corporation in applying accounting policies:

Judgments

(i) *Revenue recognition*

Revenue recognition for development lands requires judgment to determine when performance obligations are satisfied and transfer of control has passed to the purchaser. The Corporation reviews each contract and evaluates all the factors to determine the appropriate date to recognize revenue.

(ii) *Consolidation*

The Corporation applies judgment in determining control over certain limited partnerships based on a review of all contractual agreements to determine if the Corporation has control over the activities, projects, financial and operating policies of the limited partnerships.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION (continued)

(iii) Income taxes

The Corporation applies judgment in determining the total provision for current and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain due to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of the business, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to the provision for current and deferred taxes.

(iv) Net realizable value ("NRV")

NRV for land and housing projects held for development and sale is estimated with reference to market prices and conditions existing at the balance sheet date. This is determined by the Corporation having considered suitable external advice including independent real estate appraisers and recent market transactions of similar and adjacent lands and housing projects in the same geographic area.

(v) Legal contingencies

The Corporation applies judgment as it relates to the outcome of legal proceedings to determine whether a provision and disclosure in the consolidated financial statements is required. Among the factors considered in making such judgments are the nature of litigation, claim or assessment, the legal process and potential level of damages, the progress of the case, the opinions or views of legal advisers and any decision of the Corporation's management as to how it will respond to the litigation, claim or assessment.

Estimates

(i) Provision for future development costs

Changes in estimated future development costs, which are generally obtained from third party service providers, directly impact the amount recorded for the future development liability, cost of sales, gross margin and, in some cases, the value of real estate under development and held for sale. This liability is subject to uncertainty due to the long time frames involved, specifically in land development.

(ii) Reversal of write-down / Write-down of real estate held for development and sale

The Corporation estimates the NRV of real estate held for development and sale and investments in land development entities at least annually for impairment or whenever events or changes in circumstances indicate the carrying value may exceed NRV. The estimate is based on valuations conducted by independent real estate appraisers and other third-party advisors and is also based on housing projects and lot sales in the same geographic area.

(iii) Valuation of amounts receivable and vendor-take-back mortgage receivable

Amounts receivable are reviewed on a regular basis to estimate recoverability of balances. Any amounts becoming overdue and any known issues about the financial condition of debtors are taken into account when estimating recoverability.

(iv) Share-based compensation

The fair values of equity-settled share-based payments are estimated using the Black-Scholes options pricing model. These estimates are based on the Corporation's share price and on several assumptions, including the risk-free interest rate, the future forfeiture rate, time to expiry, and the expected volatility of the Corporation's share price. Accordingly, these estimates are subject to measurement uncertainty.

(v) Investments in land development entities

The fair value of investments in land development entities are based on the market approach method. This method uses prices and other relevant information that have been generated by market transactions involving identical or comparable assets or from external third-party appraisals.

3. STANDARDS AND AMENDMENTS TO EXISTING STANDARDS DURING 2024

The Corporation adopted no new IFRSs and interpretations during 2024.

4. NEW ACCOUNTING PRONOUNCEMENTS

There were no new accounting pronouncements or amendments to existing standards that impacted or are expected to impact the Corporation in 2024 and 2025.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

5. REAL ESTATE HELD FOR DEVELOPMENT AND SALE

Net book value	Lots, Multi-family & Commercial	Land Held for Development	Home Building	Total
As at December 31, 2022	42,808	174,369	48,506	265,683
Development and construction activities	6,847	49,216	81,437	137,500
Transfer	29,831	(29,831)	-	-
Acquisitions	-	23,295	40,679	63,974
Sold	(42,758)	-	(82,308)	(125,066)
Reversal of write-down of real estate held for development and sale	700	-	-	700
As at December 31, 2023	37,428	217,049	88,314	342,791
Development and construction activities	4,909	52,246	101,471	158,626
Transfer	74,627	(74,627)	-	-
Acquisitions	-	75,470	88,070	163,540
Sold	(79,254)	(853)	(144,058)	(224,165)
As at December 31, 2024	**37,710**	**269,285**	**133,797**	**440,792**

Acquisition amounts during the year ended December 31, 2024 in the table above include $88,070 related to the purchase of residential lots and $75,470 related to the purchase of development land (2023 - $40,679 and $23,295 respectively). These amounts include:

a) the acquisition of 467 residential lots in the Calgary Metropolitan Area for $88,070.
b) the acquisition of 734 acres of long-term development land located in southeast Calgary for $53,850 (with an unamortized portion of the associated Vendor-take-back ("VTB") (note 13d) of $8,285 at the time of acquisition). The Corporation also secured an option to purchase an additional 106 acres immediately south of these lands by paying $400. The option may be exercised between January 1, 2029 and December 31, 2037.
c) the acquisition of 160 acres of development land located in southeast Calgary for $29,505.

During the year ended December 31, 2024, the Corporation closed the sales of four parcels of land for $17,531 (2023 - four parcels for $16,200).

During the year ended December 31, 2024, interest of $1,498 (2023 - $1,124) was capitalized as a component of development activities.

During the year ended December 31, 2024, the Corporation recorded $Nil related to reversal of write-downs on real estate held for development and sale (2023 - $700). The reversal of the write-down was taken to reflect the estimated returns realizable on completion of development and sale of these lands.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

6. AMOUNTS RECEIVABLE

	2024	2023
Agreements receivable	**64,384**	26,623
Other receivables	**1,979**	1,533
	66,363	28,156

Agreements receivable for lot sales have various terms of repayment with purchasers generally having between 6 and 24 months to pay the balance owing for the purchased lots. On receipt of a minimum 15% non-refundable deposit and after agreed to services pertaining to the property have been substantially performed, the purchaser is deemed to have control over the lot and is permitted to start construction. In order to mitigate credit risk, the Corporation does not transfer title to sold residential lots until full payment is received (see note 22a). Certain agreements receivable and mortgages receivable, if any, are interest bearing.

7. VTB MORTGAGE RECEIVABLE

	2024	2023
Vendor-take-back mortgage receivable	**641**	1,976

During 2024, the Corporation closed the sale of a 144-acre parcel of non-core development land for $850, which comprised cash consideration of $80 and the remainder being a $770 four-year VTB mortgage receivable at 0% interest per annum. The VTB mortgage receivable is payable in four equal annual installments of approximately $193, commencing December 1, 2025 and ending December 1, 2028.

During 2023, the Corporation closed the sale of a 2.91-acre parcel of development land for $3,929, comprised of cash consideration and a VTB mortgage receivable bearing annual interest at the prime rate. The principal and interest on the VTB mortgage receivable totaling $2,006 was received in March 2024.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

8. INVESTMENTS IN LAND DEVELOPMENT ENTITIES

	Limited Partnership - 5% interest	Joint Venture - 8% interest	Limited Partnership - 16.7% interest	Joint Venture - 12.5% interest	Joint Venture - 15% interest	Total
As at December 31, 2022	2,230	4,500	-	-	-	6,730
Distribution received	(676)	-	-	-	-	(676)
Gain in fair value	396	710	-	-	-	1,106
As at December 31, 2023	1,950	5,210	-	-	-	7,160
Investments	-	-	5,000	8,099	7,556	20,655
Distributions received	-	(1,040)	-	-	(2,550)	(3,590)
Gain in fair value	192	2,134	-	-	-	2,326
As at December 31, 2024	**2,142**	**6,304**	**5,000**	**8,099**	**5,006**	**26,551**

The fair value of investments in land development entities is based on the market approach method. This method uses prices and other relevant information that have been generated by market transactions involving comparable assets. During the year ended December 31, 2024, the Corporation recorded $2,326 as a gain in fair value of investments held in the year (2023 - $1,106).

During the year ended December 31, 2024, the Corporation acquired a 16.7% interest in a limited partnership for $5,000 which is expected to commence development on 243 acres of land in southeast Calgary in 2029.

During the year ended December 31, 2024, the Corporation acquired 12.5% interest in a joint venture for $8,670 (with an unamortized portion of the associated VTB of $571 at the time of investment) which commenced development on 782 acres of land in east Airdrie in 2024. Total cash payments of $2,890 were made by the closing date with the remaining balance of $5,780, being the form of a VTB mortgage payable (note 13e).

During the year ended December 31, 2024, the Corporation acquired a 15% interest in a joint venture for $7,556 which is expected to commence development on 151 acres of land in east Calgary in 2025. The Corporation has also contributed $300 towards working capital.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

9. INVESTMENT IN OTHER REAL ESTATE ENTITY

The Corporation and a private company entered into a limited partnership agreement in 2021 to form Sage Hill Estates Apartments LP ("SHEA LP"), for the purpose of acquiring, developing and renting certain real estate. The Corporation sold a 3.22-acre multi-family site for $3,589 to SHEA LP and used the gross sale proceeds to purchase 50% of the units in SHEA LP by way of a capital investment of $3,589 in 2022.

	Total
As at December 31, 2022	3,588
(Loss)	(7)
As at December 31, 2023	3,581
Investment	455
(Loss)	(7)
As at December 31, 2024	**4,029**

The investment in SHEA LP is accounted for using the equity method with the Corporation's share of net assets being $4,029 at December 31, 2024 (December 31, 2023 - $3,581). During the year ended December 31, 2024, the Corporation made additional investment of $455 (2023 - $Nil).

10. OTHER OPERATING ASSETS

	2024	2023
Deposits	**6,029**	6,728
Restricted cash	**433**	1,551
Prepayments	**880**	1,046
Property, equipment and other	**2,272**	1,582
	9,614	10,907

Deposits include amounts paid by the Corporation towards the purchase of lots and land as well as amounts paid to development authorities as security to guarantee the completion of construction projects under development. Restricted cash includes funds held in trust related to acquisition and sale of development land and lots. The Corporation also provides letters of credit and surety bonds as security to guarantee the completion of certain construction projects (see note 21a for additional information).

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

11. LEASES

Right-of-Use Assets	Office Building	Other (1)	Total
As at January 1, 2024	324	158	482
Additions	-	703	703
Depreciation charge for the year (2)	(103)	(377)	(480)
As at December 31, 2024	**221**	**484**	**705**
As at December 31, 2023	324	158	482

Lease Liabilities	Office Building	Other (1)	Total
As at January 1, 2024	521	191	712
Additions	-	828	828
Lease payments	(178)	(470)	(648)
Interest for the year (2)	22	39	61
As at December 31, 2024	**365**	**588**	**953**
As at December 31, 2023	521	191	712

Lease Liabilities - undiscounted cash flows	Office Building	Other (1)	Total
January 1, 2025 to December 31, 2025	178	339	517
January 1, 2026 to October 31, 2029	208	302	510
As at December 31, 2024	**386**	**641**	**1,027**
As at December 31, 2023	563	201	764

Amounts recognized in statements of comprehensive income	Office Building	Other (1)	Total
Interest on lease liabilities	22	39	61
Total for the year ended December 31, 2024	**22**	**39**	**61**
Total for the year ended December 31, 2023	29	11	40

Amounts recognized in the statement of cash flows (3)	Office Building	Other (1)	Total
Interest paid	22	39	61
Payment of lease liabilities	156	431	587
Total for the year ended December 31, 2024	**178**	**470**	**648**
Total for the year ended December 31, 2023	178	195	373

(1) *Includes showhome leasebacks, trucks and photocopiers.*

(2) *Discount rate used ranged between 4.04% and 8.22%.*

(3) *These amounts are included in the line item "paid to suppliers and employees" in the consolidated statements of cash flows.*

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

12. INCOME TAXES

a) Income tax was recognized in the consolidated statements of comprehensive income as follows:

	2024	2023
Current income tax expense	**12,179**	3,732
Deferred income tax (recovery) expense	**(126)**	430
Income tax expense	**12,053**	4,162

b) Income tax expense differed from that which would be expected from applying the combined statutory Canadian federal and provincial income tax rates of 23.00% (2023 - 23.00%) to earnings before income taxes. The difference resulted from the following:

	2024	2023
Earnings before income taxes	**55,846**	18,225
Statutory tax rate	**23.00%**	23.00%
Expected income tax expense	**12,845**	4,192
Utilization of previously unrecognized tax losses	**(658)**	(241)
Share-based compensation	**-**	248
Other	**(170)**	(112)
Non-controlling interest	**36**	75
Tax expense for the year	**12,053**	4,162

c) The deferred tax assets of the Corporation were as follows:

	2024	2023
Deferred tax assets	**13,571**	8,613
Deferred tax liabilities	**(5,962)**	(1,129)
Net deferred tax assets	**7,609**	7,484

d) The components of the net deferred tax assets were as follows:

	2024	2023
Real estate held for development and sale	**9,379**	5,308
Reserves from land sales	**(5,601)**	(804)
Unamortized financing costs	**2,890**	2,632
Other temporary differences	**941**	348
Net deferred tax assets	**7,609**	7,484

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

13. LOAN AND CREDIT FACILITIES

	2024	2023
Secured by specific dedicated lands and a general corporate charge on all assets of the Corporation		
a) Corporate revolving credit facility up to $50,000 with a major Canadian financial institution at an interest rate per annum of prime +1.65%. The facility was extended in March 2024 with the interest rate per annum reduced from prime +1.90% previously and matures on February 1, 2027.	**13,885**	12,800
Secured by agreements receivable and real estate held for development and sale		
b) Demand land project servicing facilities up to $9,121 from a major Canadian chartered bank, payable on collection of agreements receivable, bearing interest at prime +0.50% per annum, secured by real estate held for development and sale with a carrying value of $7,926 and a corporate guarantee. The loan amounts are due between May 12, 2025, and November 28, 2025. Subsequent to December 31, 2024, a loan facility with the ability to borrow $2,848 and a due date of May 12, 2025 was closed.	**3,813**	12,729
Secured by real estate held for development and sale		
c) VTB at 0% per annum is measured at amortized cost and whose fair value is based on discounted future cash flows, using an 8% discount rate. The $18,088 VTB was entered into on November 30, 2023 in partial payment for the purchase of 460 acres of development land in southeast Calgary and is secured by these lands which have a carrying value of $22,748. The VTB is to be paid in four annual installments of $4,522 each, commencing November 20, 2024 and ending November 20, 2027. The first installment of $4,522 was paid in November 2024.		
Remaining face value owed on this VTB	**13,566**	18,088
Unamortized portion of the discount on this VTB	**(1,819)**	(3,010)
d) VTB at 0% per annum is measured at amortized cost and whose fair value is based on discounted future cash flows, using an 8% discount rate. The $42,080 VTB was entered into on June 7, 2024, in partial payment for the purchase of 734 acres of development land in southeast Calgary and is secured by these lands which have a carrying value of $46,148. The VTB is to be paid in four annual installments of $7,000, $8,000, $13,680 and $13,400 respectively, commencing June 19, 2025 and ending June 19, 2028.		
Remaining face value owed on this VTB	**42,080**	-
Unamortized portion of the discount on this VTB	**(6,676)**	-
e) VTB at 0% per annum is measured at amortized cost and whose fair value is based on discounted future cash flows, using an 7% discount rate. The $5,780 VTB was entered into on November 15, 2024, in partial payment for the investment in land development joint venture. The VTB is to be paid in two annual installments of $2,890 each, commencing November 15, 2025 and ending November 15, 2026.		
Remaining face value owed on this VTB	**5,780**	-
Unamortized portion of the discount on this VTB	**(525)**	-
Secured by real estate held for development and sale and a Genesis corporate guarantee - held by Limited Partnerships		
f) Demand land project servicing facilities (LLLP) up to $26,497 from a major Canadian chartered bank, payable on collection of agreements receivable, bearing interest at prime +0.50% per annum, secured by real estate held for development and sale with a carrying value of $34,840. The loan amounts are due between July 31, 2026 and November 26, 2027.	**4,318**	13,455
g) Demand operating credit facility (LLLP) up to $24,500 from a major Canadian chartered bank, bearing interest at prime +0.50% per annum, secured by real estate held for development and sale with a carrying value of $34,840. In April 2024, the facility was increased to $24,500 from $21,500. The loan amount is due on October 27, 2025.	**23,256**	21,500
h) Demand land project servicing facility (HLLP) up to $52,135 from a major Canadian chartered bank, payable on collection of agreements receivable, bearing per annum interest at the prime rate, secured by real estate held for development and sale with a carrying value of $55,076. The loan amount is due on September 3, 2027.	**12,317**	-
i) Demand operating credit facility (HLLP) up to $17,000 from a major Canadian chartered bank, bearing interest at prime +0.25% per annum, secured by real estate held for development and sale with a carrying value of $55,076. In April 2024, the facility was increased to $17,000 from $16,000. The loan amount is due on November 30, 2026.	**16,191**	15,098

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

13. LOAN AND CREDIT FACILITIES (continued)

	2024	2023
Secured by housing projects under development and a corporate guarantee j) Demand operating credit facility up to $25,000 from a major Canadian chartered bank, bearing interest at prime +0.75% per annum, secured by a general security agreement over assets of the home building division. The facility does not have a specified maturity date.	**8,167**	13,664
	134,353	104,324
Unamortized deferred fees on loan and credit facilities	**(859)**	(737)
	133,494	103,587

A lender has a general security agreement on all property of the Corporation, its subsidiaries and its controlled entities, in addition to specific security mentioned above.

The weighted average interest rate of loan agreements with financial institutions was 6.05% (December 31, 2023 - 7.90%) based on December 31, 2024 balances.

During the year ended December 31, 2024, the Corporation received advances of $71,269 (2023 - $82,887) and made repayments of $79,788 (2023 - $59,450) relating to various loan facilities. These loan facilities bear interest ranging from prime to prime +1.65% per annum, with maturity dates ranging from May 12, 2025 to November 26, 2027. During the year ended December 31, 2024, the Corporation incurred finance costs of $8,888 relating to loans and VTBs (2023 - $5,004).

The Corporation, its subsidiaries and its controlled entities have various covenants in place with their lenders with respect to credit facilities including credit usage restrictions; cancellation, prepayment, confidentiality and cross default clauses; sales coverage requirements; conditions precedent for funding; and other terms such as, but not limited to, maintaining contracted lot prices, restrictions on encumbrances, liens and charges, material changes to project plans, and material changes in the Corporation's ownership structure. As at December 31, 2024 and 2023, the Corporation, its subsidiaries and its controlled entities were in compliance with all loan covenants.

Based on the contractual terms, the Corporation's loan and credit facilities are to be repaid within the following time periods (excluding deferred fees on loan and credit facilities and unamortized portion of the discount on the VTB):

January 1, 2025 to December 31, 2025	49,649
January 1, 2026 to December 31, 2026	35,515
January 1, 2027 to December 31, 2027	44,812
January 1, 2028 to December 31, 2028	13,397
	143,373

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

14. CUSTOMER DEPOSITS

	2024	2023
Customer deposits on residential home sales	**14,142**	13,426
Customer deposits on residential lot and development land sales	**5,435**	4,044
	19,577	17,470

Customer deposits are amounts received upon signing of contracts for purchases of residential homes, lots and development land on which revenue recognition criteria have not yet been met.

15. PROVISION FOR FUTURE DEVELOPMENT COSTS

The movement in the provision for future development costs is as follows:

	Land Development	**Home Building**	**Total**
As at December 31, 2022	20,105	3,929	24,034
Additions	10,774	27,363	38,137
Changes to estimates	(935)	(371)	(1,306)
Development and construction activities	(14,045)	(26,251)	(40,296)
As at December 31, 2023	15,899	4,670	20,569
Additions	25,250	36,657	61,907
Changes to estimates	(1,933)	221	(1,712)
Development and construction activities	(9,793)	(34,735)	(44,528)
As at December 31, 2024	**29,423**	**6,813**	**36,236**

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

16. SHARE CAPITAL

a) **Authorized**

Unlimited number of common shares without par value.
Unlimited number of preferred shares without par value, none issued.

b) **Weighted average number of shares**

The following table sets forth the weighted average number of common shares outstanding for the year ended December 31, 2024 and 2023:

	2024	2023
Basic and diluted weighted average number of common shares	**56,793,271**	56,849,817

c) **Normal course issuer bid ("NCIB")**

The Corporation renewed its NCIB on December 13, 2024. The renewed NCIB commenced on December 18, 2024 and will terminate on the earlier of: (i) December 17, 2025; and (ii) the date on which the maximum number of common shares are purchased pursuant to the bid. The Corporation may purchase for cancellation up to 2,839,275 common shares under the NCIB.

The prior NCIB, which expired on December 17, 2024, allowed the Corporation to purchase for cancellation up to 2,840,528 common shares.

The following table sets forth the number of common shares repurchased and cancelled during the year ended December 31, 2024 and 2023 under the NCIB.

	2024	2023
Number of shares repurchased and cancelled	**20,282**	61,027
Reduction in share capital	**30**	90
Change in retained earnings	**21**	45
Reduction in shareholders' equity	**51**	135
Average purchase price per share	**2.55**	2.20

d) **Dividends paid**

Cash dividends of $11,074 ($0.195 per share) were declared and paid during the year ended December 31, 2024. Cash dividends of $9,663 ($0.17 per share) were declared and paid during the year ended December 31, 2023.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

17. SHARE-BASED COMPENSATION

a) Deferred share unit ("DSU") plan

The Corporation's cash settled DSU plan provides for DSUs to be issued to directors and designated employees. DSUs are issued with various vesting terms, ranging from immediate vesting up to four years. Details of the number of outstanding DSUs are as follows:

	2024	2023
DSUs outstanding - beginning of year	**1,353,444**	1,065,060
DSUs granted	**324,937**	374,918
DSUs redeemed / cancelled	**-**	(86,534)
DSUs outstanding - end of year	**1,678,381**	1,353,444
DSUs vested - end of year	**1,266,793**	912,258

The December 31, 2024 outstanding liability related to DSUs which are cash settled is $5,053 (December 31, 2023 - $2,863) and is recorded in accounts payable and accrued liabilities. DSUs are measured at fair value at each reporting period on a mark-to-market basis.

Subsequent to December 31, 2024, the Corporation granted 4,545 DSUs at an average price of $3.30 each and redeemed 239,060 DSUs at an average price of $3.35 each.

b) Share-based compensation expense

	2024	2023
Share-based compensation expense	**2,191**	1,077

Share-based compensation was recorded and included as a part of general and administrative expense.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

18. GENERAL AND ADMINISTRATIVE

The general and administrative expense of the Corporation consisted of the following:

	2024	2023
Compensation and benefits	**15,963**	12,286
Share-based compensation	**2,191**	1,077
Corporate administration	**3,988**	3,247
Professional services	**1,218**	1,488
	23,360	18,098

Compensation and benefits of the directors and key management personnel, included in the general and administrative expenses above, were as follows:

	2024	2023
Salaries, wages and benefits	**3,551**	2,672
Share-based compensation	**2,191**	1,077
	5,742	3,749

19. SELLING AND MARKETING

Selling and marketing expenses of the Corporation consisted of the following:

	2024	2023
Advertising and marketing	**4,457**	3,632
Sales commissions	**9,053**	4,852
	13,510	8,484

20. FINANCE EXPENSE

Finance expense of the Corporation consisted of the following:

	2024	2023
Interest incurred	**6,113**	4,912
Interest relating to VTBs	**2,846**	199
Financing fees amortized	**447**	386
Interest and financing fees capitalized (note 5)	**(1,498)**	(1,124)
	7,908	4,373

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

21. COMMITMENTS AND CONTINGENCIES

a) The Corporation has issued letters of credit and surety bonds pursuant to servicing agreements with municipalities to indemnify them in the event that the Corporation does not perform its contractual obligations. As at December 31, 2024, these commitments amounted to $9,446 (December 31, 2023 - $7,103).

b) The Corporation is committed to pay levies and municipal fees relating to signed municipal agreements on commencement of development of certain real estate assets with the following future payments:

January 1, 2025 to December 31, 2025	12,769
January 1, 2026 to December 31, 2026	11,504
January 1, 2027 to December 31, 2027	7,337
	31,610

c) The Corporation has contracted to acquire 222 residential lots in the Calgary Metropolitan Area for $44,082 from third-party land developers and HLLP, a limited partnership in which Genesis owns a 60% interest (refer to note 24). The Corporation has paid deposits totaling $6,338 with the remainder being payable as follows:

	Third-party land developers	**HLLP**	**Total**
January 1, 2025 to December 31, 2025	2,662	5,392	8,054
January 1, 2026 to December 31, 2026	22,230	4,725	26,955
January 1, 2027 to December 31, 2027	2,735	-	2,735
	27,627	10,117	37,744

d) In October 2024, the Corporation signed a 10-year lease for its new head office location. The current sublease expires in February 2027. The newly signed lease commences in March 2027 and expires in December 2037 with payments relating to variable operating costs, base rent and parking over the term of the lease, amounting to $8,394.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

22. FINANCIAL INSTRUMENTS

The fair values of cash and cash equivalents, restricted cash, accounts payable and accrued liabilities approximate their carrying values as they are typically expected to be settled within twelve months. The fair value of deposits approximates their carrying value as the terms of deposits are comparable to the market terms for similar instruments.

The fair values of the Corporation's loan and credit facilities, amounts receivable and vendor-take-back mortgage receivable were estimated based on current market rates for loans of the same risk and maturities.

The fair value of investments in land development entities are based on the market approach method. This method uses prices and other relevant information that have been generated by market transactions involving identical or comparable assets.

Fair value measurements recognized in the consolidated balance sheets are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values. The three fair value hierarchy levels are as follows:

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 for the asset or liability that is not based on observable market data (unobservable inputs).

The Corporation's current financial assets are measured at amortized cost or fair value through profit and loss ("FVTPL"). The estimated fair value of financial assets and liabilities measured at FVTPL as at December 31, 2024 and December 31, 2023 are presented in the following table:

			Carrying Value		Fair Value	
	Fair Value Hierarchy	**Measurement Basis**	**As at Dec. 31, 2024**	**As at Dec. 31, 2023**	**As at Dec. 31, 2024**	**As at Dec. 31, 2023**
Financial Assets						
Cash	Level 1	FVTPL	**21,414**	37,546	**21,414**	37,546
Investments in land development entities	Level 3	FVTPL	**26,551**	7,160	**26,551**	7,160
Restricted cash (1)	Level 1	FVTPL	**433**	1,551	**433**	1,551
Financial Liabilities						
Cash settled DSUs (2)	Level 1	FVTPL	**5,053**	2,863	**5,053**	2,863

(1) *Included in other operating assets.*
(2) *Included in accounts payable and accrued liabilities.*

During the year ended December 31, 2024 and 2023, no transfers were made between the levels in the fair value hierarchy.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

22. FINANCIAL INSTRUMENTS (continued)

a) Risks associated with financial instruments

(i) Credit risk

The Corporation recognizes bad debt expense (or recovery) relating to amounts receivable on sold lots, net of the value of the related sold lots which are taken back into the Corporation's lot inventory on the termination of the relevant agreement. Termination could occur when the buyer fails to perform or observe terms of covenants of the relevant agreement. Agreements receivable for lot sales have various terms of repayment with purchasers generally having between 6 and 24 months to pay the balance owing for the purchased lots.

Recovery of bad debt expense is included in the Corporation's general and administrative expenses. In order to mitigate credit risk, the Corporation does not transfer title to sold residential lots until full payment is received. Individual balances due from customers as at December 31, 2024, which comprise greater than 10% of total amounts receivable, totaled $57,956 from four customers (December 31, 2023 - $26,623 from two customers).

Aging of amounts receivable, none of which are past due, was as follows:

	2024	2023
Due on sold lots	**64,384**	26,623
Other receivables	**1,979**	1,533
	66,363	28,156

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

22. FINANCIAL INSTRUMENTS (continued)

(ii) Liquidity risk

The contractual maturities of financial liabilities and other commitments as at December 31, 2024 were as follows:

	<1 Year	>1 Year	Total
Financial liabilities			
Accounts payable and accrued liabilities	26,795	-	26,795
Accounts payable related to residential lot purchases	47,889	15,485	63,374
Loan and credit facilities (1) (note 13)	49,649	93,724	143,373
	124,333	109,209	233,542
Commitments			
Lease obligations (including variable operating costs)	237	8,670	8,907
Lot purchase contracts (note 21c)	8,054	29,690	37,744
Levies and municipal fees (note 21b)	12,769	18,841	31,610
	21,060	57,201	78,261
	145,393	**166,410**	**311,803**

(1) Exclude deferred fees on loan and credit facilities and unamortized portions of the discount on the VTBs

As at December 31, 2024, the Corporation had obligations due within the next 12 months of $145,393 (December 31, 2023 - $94,885). Based on the Corporation's operating history, its relationship with its lenders and committed sales contracts, management believes that the Corporation has the ability to continue to renew or repay its financial obligations as they come due. During the year ended December 31, 2024, the corporate revolving line of credit was extended until February 2027 with the interest rate per annum reduced to prime +1.65% (note 13a) and a demand land project servicing facility was extended (note 13b). Additionally, LLLP put in place a demand land project servicing facility of $11,002 (note 13f) and its demand operating credit facility was increased from $21,500 to $24,500 (note 13g). HLLP also put in place a demand land project servicing facility of $52,135 (note 13h) and its demand operating credit facility was increased from $16,000 to $17,000 (note 13i).

(iii) Market risk

The Corporation is exposed to interest rate risk to the extent that certain agreements receivable and certain loan and credit facilities are at a floating rate of interest. A 1% change in interest rates would result in a change in interest incurred of approximately $819 annually on floating rate facilities (2023 - $892).

b) Capital management

The Corporation's policy is to maintain a sufficient capital base in order to retain investor, creditor and market confidence and to sustain the future development of the business. The Corporation is in compliance with all externally imposed capital requirements.

The Corporation manages its capital structure and makes adjustments to it in light of changes in regional economic conditions and the risk characteristics of the underlying real estate industry within that region.

The Corporation considered its capital structure at the following dates to specifically include:

	2024	2023
Loan and credit facilities (note 13)	**133,494**	103,587
Shareholders' equity	**266,480**	231,142
	399,974	334,729

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

23. SEGMENTED INFORMATION

The income producing business units of the Corporation reported the following activities for the year ended December 31, 2024 and 2023:

	Land Development Segment				Home Building Segment	Intersegment Elimination	Total
Year ended December 31, 2024	**Genesis [1]**	**Other LP's**	**Intrasegment Elimination**	**Total**			
Revenues	127,915	4	-	127,919	258,265	(42,654)	**343,530**
Revenues - development lands	17,531	-	-	17,531	-	-	**17,531**
Direct cost of sales	(108,729)	-	-	(108,729)	(193,951)	38,143	**(264,537)**
Gross margin	36,717	4	-	36,721	64,314	(4,511)	**96,524**
Gain in investments in land development entities	2,326	-	-	2,326	-	-	**2,326**
G&A, selling & marketing and net finance expense	(17,297)	(71)	-	(17,368)	(25,636)	-	**(43,004)**
Earnings (loss) before income taxes and non-controlling interest	21,746	(67)	-	21,679	38,678	(4,511)	**55,846**
Segmented assets as at December 31, 2024	444,333	2,329	(5,174)	441,488	186,996	(50,766)	**577,718**
Segmented liabilities as at December 31, 2024 [2], [3]	216,753	835	(726)	216,862	119,913	(46,255)	**290,520**
Segmented net assets as at December 31, 2024 [2], [3]	227,580	1,494	(4,448)	224,626	67,083	(4,511)	**287,198**

	Land Development Segment				Home Building Segment	Intersegment Elimination	Total
Year ended December 31, 2023	**Genesis [1]**	**Other LP's**	**Intrasegment Elimination**	**Total**			
Revenues	45,847	16	-	45,863	167,126	(25,877)	**187,112**
Revenues - development lands	16,200	1,253	(1,253)	16,200	-	-	**16,200**
Direct cost of sales	(52,655)	(935)	935	(52,655)	(130,703)	25,877	**(157,481)**
Reversal of write-down of real estate held for development and sale	700	-	-	700	-	-	**700**
Gross margin	10,092	334	(318)	10,108	36,423	-	**46,531**
Gain in investments in land development entities	1,106	-	-	1,106	-	-	**1,106**
G&A, selling & marketing and net finance expense	(11,474)	(80)	-	(11,554)	(17,858)	-	**(29,412)**
(Loss) earnings before income taxes and non-controlling interest	(276)	254	(318)	(340)	18,565	-	**18,225**
Segmented assets as at December 31, 2023	320,723	2,209	(4,987)	317,945	111,979	10,159	**440,083**
Segmented liabilities as at December 31, 2023 [2], [3]	114,081	648	(539)	114,190	74,593	10,159	**198,942**
Segmented net assets as at December 31, 2023 [2], [3]	206,642	1,561	(4,448)	203,755	37,386	-	**241,141**

[1] *Includes LLLP and HLLP*

[2] *Segmented liabilities under the Genesis land development segment include $24,092 due to the home building segment (December 31, 2023 - $12,588 due from the land development segment to the home building segment).*

[3] *Segmented liabilities under the LP segment is comprised of accounts payable and accrued liabilities and includes $726 (December 31, 2023 - $539) due to Genesis.*

24. LIMITED PARTNERSHIPS

a) In December 2022, the Corporation entered into binding agreements to sell a 20% ownership stake in LLLP to each of two Calgary based third party home builders. LLLP owns 130 acres of residential development land located in north Calgary in the Keystone Area Structure Plan. The transaction closed on January 16, 2023, for a consideration for each 20% ownership stake of $5,880 (net of assumption of debt of $4,000 each) resulting in gross proceeds for the sale of a 40% ownership interest of $11,760 (net of assumption of debt of $8,000). LLLP accounts for $12,701 of the NCI on the condensed consolidated balance sheets (2023 - $8,438) and $4,263 on the condensed consolidated statements of comprehensive income (2023 - ($703)).

b) In May 2024, the Corporation entered into binding agreements to sell a 20% ownership stake in HLLP to each of two Calgary based third party home builders. HLLP owns 161 acres of residential development land located in the Belvedere ASP on the east side of the City of Calgary. The transaction closed on December 13, 2024, for a consideration for each 20% ownership stake of $7,720 (net of assumption of debt of $3,000 each) resulting in gross proceeds for the sale of a 40% ownership interest of $15,440 (net of assumption of debt of $6,000). HLLP accounts for $6,523 of the NCI on the consolidated balance sheets (2023 - $Nil) and $Nil on the consolidated statement of comprehensive income (2023 - $Nil).

25. CONSOLIDATED ENTITIES

The consolidated financial statements include the accounts of the Corporation and its wholly-owned subsidiaries, as well as the consolidated revenues, expenses, assets, liabilities and cash flows of limited partnership entities that the Corporation controls. The Corporation has majority ownership positions in LLLP and HLLP as well as minority positions in other limited partnership entities. The Corporation has control over these entities' activities, projects, financial and operating policies due to contractual arrangements. As such, the relationship between the Corporation and the limited partnership entities indicates that they are controlled by the Corporation. Accordingly, the accounts of the limited partnerships have been consolidated in the Corporation's financial statements.

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

25. CONSOLIDATED ENTITIES (continued)

All entities are incorporated in Canada and are listed in the following table:

	% equity interest as at	
Name	**December 31, 2024**	**December 31, 2023**
Land Development Segment		
Genpol Inc.	100%	100%
Genpol LP	100%	100%
1504431 Alberta Ltd.	0.0002%	0.0002%
Genesis Sage Meadows Partnership	99.9998%	99.9998%
Polar Hedge Enhanced Income Trust	100%	100%
Genesis Land Development (Ricardo Ranch) Corp.	100%	100%
Sage Hill Crest Apartments Corp.	100%	100%
Siseneg Holding Inc.	100%	100%
GLDC Management Inc.	100%	100%
Lewiston Lands Limited Partnership (note 24)	60%	60%
Lewiston Lands GP Inc.	100%	100%
Huxley Lands Limited Partnership (note 24)	60%	100%
Huxley Lands GP Inc.	100%	100%
GP GLP8 Inc.	100%	100%
GP LPLP 2007 Inc.	100%	100%
Sage Hill Estates Apartments LP	49%	49%
Sage Hill Estates Apartments GP Inc.	2%	2%
Kinwood Communities Inc.	50%	50%
Home Building Segment		
Genesis Builders Group Inc.	100%	100%
Other Limited Partnerships Segment		
LP 4/5 Group		
Genesis Limited Partnership #4 [(1)]	0.001%	0.001%
Genesis Limited Partnership #5, GLP5 GP Inc., GLP5 NE Calgary Development Inc.	0%	0%
Genesis Northeast Calgary Ltd.	100%	100%

[(1)] *The allocation of profit or loss is 0% in accordance with the terms of the limited partnership agreement.*

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

25. CONSOLIDATED ENTITIES (continued)

The following tables summarize the information relating to the Corporation's controlled entities that have non-controlling interests and may include inter-group balances that are eliminated on consolidation and become a component of the net non-controlling interest:

BALANCE SHEETS

	HLLP	LLLP	LP4/5	Total
Assets				
Real estate held for development and sale	55,076	36,359	2,324	**93,759**
Amounts receivable	27	38,819	-	**38,846**
Other operating assets including restricted cash	-	-	5	**5**
Cash and cash equivalents	785	468	-	**1,253**
Total assets	55,888	75,646	2,329	**133,863**
Liabilities				
Loan and credit facilities	28,280	27,483	-	**55,763**
Customer deposits	7,046	-	-	**7,046**
Accounts payable and accrued liabilities	3,747	1,515	109	**5,371**
Due to related parties	1,681	255	726	**2,662**
Provision for future development costs	-	14,827	-	**14,827**
Total liabilities	40,754	44,080	835	**85,669**
Net assets as at December 31, 2024	**15,134**	**31,566**	**1,494**	**48,194**
Non-controlling interest (%) as at December 31, 2024	**40%**	**40%**	**100%**	
Net assets as at December 31, 2023	(115)	20,906	1,561	22,352
Non-controlling interest (%) as at December 31, 2023	0%	40%	100%	

SUMMARIZED STATEMENTS OF COMPREHENSIVE INCOME

Year ended December 31, 2024	HLLP	LLLP	LP4/5	Total
Revenue	-	63,552	4	**63,556**
Net (loss) income	(1,042)	10,659	(67)	**9,550**
Non-controlling interest (%) as at December 31, 2024	**40%**	**40%**	**100%**	

Year ended December 31, 2023	HLLP	LLLP	LP4/5	Total
Revenue	-	-	1,269	**1,269**
Net (loss) income	(115)	(1,758)	254	**(1,619)**
Non-controlling interest (%) as at December 31, 2023	**0%**	**40%**	**100%**	

(All tabular amounts and amounts in footnotes to tables are in thousands of Canadian dollars except number of shares)

25. CONSOLIDATED ENTITIES (continued)

SUMMARIZED STATEMENT OF CASH FLOWS

Year ended December 31, 2024	HLLP	LLLP	LP4/5	Total
Cash flows (used in) from operating activities	(11,194)	10,344	-	**(850)**
Net increase in cash and cash equivalents	785	173	-	**958**

Year ended December 31, 2023	HLLP	LLLP	LP4/5	Total
Cash flows used in operating activities	-	(12,674)	-	**(12,674)**
Net increase in cash and cash equivalents	-	295	-	**295**