GENESIS LAND DEVELOPMENT CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2026 and 2025
(Unaudited)

THIRD QUARTER

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

	Notes	September 30, 2026	December 31, 2025
Assets			
Real estate held for development and sale	4	**504,921**	459,124
Amounts receivable	13a	**60,660**	95,062
Investments in land development entities	15	**29,666**	24,409
Investment in other real estate entity	16	**2,336**	4,029
Other operating assets	11	**8,298**	11,832
Right-of-use assets		**506**	575
Income tax recoverable		**7,375**	-
Deferred tax assets		**9,715**	9,742
Cash and cash equivalents		**20,151**	17,511
Total assets		**643,628**	622,284
Liabilities			
Loan and credit facilities	5	**140,637**	136,441
Customer deposits	12	**19,257**	9,234
Accounts payable and accrued liabilities	13a	**41,906**	29,354
Accounts payable related to residential lot purchases	13a	**81,369**	68,113
Lease liabilities		**573**	735
Income tax payable		**-**	1,231
Provision for future development costs	6	**36,775**	49,813
Total liabilities		**320,517**	294,921
Commitments and contingencies	10		
Subsequent events	5b, 8a, 19		
Equity			
Share capital	7	**81,493**	82,052
Contributed surplus		**1,063**	1,063
Retained earnings		**215,504**	215,373
Shareholders' equity		**298,060**	298,488
Non-controlling interest		**25,051**	28,875
Total equity		**323,111**	327,363
Total liabilities and equity		**643,628**	622,284

See accompanying notes to the condensed consolidated interim financial statements.

GENESIS LAND DEVELOPMENT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
For the three and nine months ended September 30, 2026 and 2025
(In thousands of Canadian dollars except per share amounts)

		Three months ended September 30,		Nine months ended September 30,	
	Notes	**2026**	**2025**	**2026**	**2025**
Revenues					
Sales revenue		**61,953**	116,836	**188,131**	246,320
Other revenue		**1**	90	**105**	232
	14	**61,954**	116,926	**188,236**	246,552
Direct cost of sales		**(48,111)**	(89,396)	**(146,122)**	(182,376)
Gross margin		**13,843**	27,530	**42,114**	64,176
Unrealized gain - investments in land development entities	15	**379**	531	**1,338**	1,593
Share of loss from equity-accounted investment	16	**(353)**	-	**(1,693)**	-
General and administrative	9	**(6,229)**	(8,086)	**(18,985)**	(20,800)
Selling and marketing		**(3,428)**	(3,721)	**(10,404)**	(10,217)
		(9,631)	(11,276)	**(29,744)**	(29,424)
Earnings from operations		**4,212**	16,254	**12,370**	34,752
Finance income		**137**	251	**594**	641
Finance expense		**(1,978)**	(2,229)	**(6,220)**	(6,299)
Earnings before income taxes	14	**2,371**	14,276	**6,744**	29,094
Income tax expense		**(411)**	(3,453)	**(1,578)**	(6,547)
Net earnings being comprehensive earnings		**1,960**	10,823	**5,166**	22,547
Attributable to non-controlling interest		**(576)**	2,233	**(2,424)**	1,233
Attributable to equity shareholders		**2,536**	8,590	**7,590**	21,314
Net earnings per share - basic and diluted	7b	**0.04**	0.16	**0.13**	0.38

See accompanying notes to the condensed consolidated interim financial statements.

GENESIS LAND DEVELOPMENT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited)
For the nine months ended September 30, 2026 and 2025
(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, 2024		56,782,026	82,263	1,063	183,154	266,480	20,718	287,198
Dividends	7d	-	-	-	(5,956)	(5,956)	-	(5,956)
Normal course issuer bid	7c	(126,842)	(186)	-	(224)	(410)	-	(410)
Distributions		-	-	-	-	-	(6,229)	(6,229)
Acquisition from limited partnership		-	-	-	-	-	4,986	4,986
Net earnings being comprehensive earnings		-	-	-	21,314	21,314	1,233	22,547
At September 30, 2025		**56,655,184**	**82,077**	**1,063**	**198,288**	**281,428**	**20,708**	**302,136**

At December 31, 2025		**56,638,261**	**82,052**	**1,063**	**215,373**	**298,488**	**28,875**	**327,363**
Dividends	7d	-	-	-	(6,754)	(6,754)	-	(6,754)
Normal course issuer bid	7c	(379,298)	(559)	-	(705)	(1,264)	-	(1,264)
Capital contributions	17c	-	-	-	-	-	1,000	1,000
Distributions	17a	-	-	-	-	-	(2,400)	(2,400)
Net earnings (loss) being comprehensive earnings (loss)		-	-	-	7,590	7,590	(2,424)	5,166
At September 30, 2026		**56,258,963**	**81,493**	**1,063**	**215,504**	**298,060**	**25,051**	**323,111**

See accompanying notes to the condensed consolidated interim financial statements.

GENESIS LAND DEVELOPMENT CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
For the three and nine months ended September 30, 2026 and 2025
(In thousands of Canadian dollars)

		Three months ended September 30,		Nine months ended September 30,	
	Notes	2026	2025	2026	2025
Operating activities - inflows (outflows)					
Residential home sales		**60,840**	69,021	**183,701**	188,435
Residential lot sales		**13,069**	12,391	**49,653**	50,178
Interest		**151**	274	**644**	640
Residential home construction		**(36,274)**	(44,648)	**(105,805)**	(118,245)
Land development		**(29,666)**	(17,460)	**(49,164)**	(42,311)
Lots and land acquisitions		**(8,360)**	(20,958)	**(21,943)**	(39,234)
Suppliers and employees		**(7,845)**	(10,542)	**(27,759)**	(27,145)
Income tax		**(1,514)**	(4,247)	**(10,157)**	(20,901)
Other		**1**	100	**105**	230
Cash flows (used in) from operating activities		**(9,598)**	(16,069)	**19,275**	(8,353)
Investing activities - inflows (outflows)					
Acquisition of equipment		**(103)**	(387)	**(720)**	(1,503)
Change in restricted cash		**-**	2	**-**	4
Investment in land development entity	15	**-**	-	**(4,000)**	-
Distributions received from land development entities	15	**-**	1,600	**81**	3,574
Cash flows (used in) from investing activities		**(103)**	1,215	**(4,639)**	2,075
Financing activities - inflows (outflows)					
Advances from loan and credit facilities	5	**73,007**	35,746	**151,463**	76,603
Payments on loan and credit facilities	5	**(69,799)**	(12,893)	**(143,511)**	(45,061)
Payments on vendor-take-back mortgage payable	5e	**-**	-	**(8,000)**	(7,000)
Interest and fees paid on loan and credit facilities		**(855)**	(908)	**(2,530)**	(2,566)
Distributions to unit holders of limited partnerships	17a	**-**	(1,467)	**(2,400)**	(4,300)
Capital contributions from non-controlling interest holders	17c	**-**	-	**1,000**	-
Cancellation of shares under NCIB	7c	**(52)**	(117)	**(1,264)**	(410)
Dividends paid	7d	**-**	-	**(6,754)**	(5,956)
Cash flows from (used in) financing activities		**2,301**	20,361	**(11,996)**	11,310
Change in cash and cash equivalents		**(7,400)**	5,507	**2,640**	5,032
Cash and cash equivalents, beginning of period		**27,551**	20,939	**17,511**	21,414
Cash and cash equivalents, end of period		**20,151**	26,446	**20,151**	26,446

See accompanying notes to the condensed consolidated interim financial statements.

1. DESCRIPTION OF BUSINESS

Genesis Land Development Corp. (the "Corporation" or "Genesis") was incorporated under the Business Corporations 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 unaudited condensed consolidated interim financial statements (the "Statements") of Genesis were approved for issuance by the Board of Directors on November 4, 2026.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION

The significant accounting policies, basis of measurement and use of judgments and estimates of the Corporation are the same as those applied in the Corporation's annual audited consolidated financial statements for the year ended December 31, 2025. These policies have been consistently applied to each of the periods presented, unless otherwise indicated.

The 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. These Statements are unaudited and have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The 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 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.

These Statements do not include all of the information required for annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2025.

3. NEW ACCOUNTING STANDARDS

Standards effective January 1, 2026

Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures

Refer to note 3 in the condensed consolidated interim financial statements for the three months ended March 31, 2026 and 2025 which discusses these new IFRS and the impact of the application of amendments to IFRS 9 and IFRS 7.

Standards issued but not yet effective

IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18, issued in April 2024, replaces IAS 1, Presentation of Financial Statements and establishes the overall requirements for presentation and disclosures in the financial statements, including a new defined structure for the statement of profit or loss and specific disclosure requirements related to management-defined performance measures. IFRS 18 also enhances guidance on how to group information within the financial statements.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, including interim financial statements, and is to be applied retrospectively. The Corporation has established an implementation project and continues to assess the impact of adopting IFRS 18 on its consolidated financial statement presentation and disclosures.

4. REAL ESTATE HELD FOR DEVELOPMENT AND SALE

Net book value	Lots, Multi-family & Commercial Parcels	Land Held for Development	Home Building	Total
As at December 31, 2024	37,710	269,285	133,797	440,792
Development and construction activities	2,609	37,848	167,625	208,082
Transfer	67,746	(67,746)	-	-
Acquisitions	-	5,498	52,604	58,102
Sold	(78,800)	(2,123)	(166,929)	(247,852)
As at December 31, 2025	29,265	242,762	187,097	459,124
Development and construction activities	3,428	39,928	98,856	142,212
Acquisitions	-	-	37,512	37,512
Sold	(11,223)	-	(122,704)	(133,927)
As at September 30, 2026	**21,470**	**282,690**	**200,761**	**504,921**

Acquisition amounts during the nine months ended September 30, 2026 in the table above include the acquisition of 148 residential lots in the Calgary Metropolitan Area for $37,512 in home building (2025 - 156 residential lots for $29,845).

During the three and nine months ended September 30, 2026, interest of $220 and $598 (2025 - $304 and $979) was capitalized as a component of development activities.

5. LOAN AND CREDIT FACILITIES

		September 30, 2026	December 31, 2025
Corporate revolving line of credit	a	**16,500**	10,413
Project-specific lines			
Demand land project servicing and operating lines	b	**59,537**	63,645
Demand operating line for single-family homes and lots	c	**18,477**	18,269
Demand operating line - Cobalt Bay Limited Partnership ("CBLP")	d	**10,466**	2,845
Subtotal		**88,480**	84,759
Vendor-take-back ("VTB") mortgages payable related to land purchases and investment in Joint Venture			
VTB mortgages payable - Calgary SE Land Holdings	e	**36,124**	44,124
Unamortized portion of the discount on these VTBs		**(2,780)**	(4,977)
VTB mortgage payable - Investment in Land Development Joint Venture	f	**2,890**	2,890
Unamortized portion of the discount on this VTB		**(25)**	(170)
Subtotal		**36,209**	41,867
Unamortized deferred fees on loan and credit facilities		**(552)**	(598)
Total loan and credit facilities		**140,637**	136,441
Weighted average interest rate of loan agreements with financial institutions		**4.77%**	4.89%

a) **Corporate revolving line of credit**

Genesis has a secured revolving credit facility of $100,000 with a syndicate of Canadian financial institutions at an interest rate per annum of prime rate plus 0.75% or Term Canadian Overnight Repo Rate Average ("Term CORRA") plus 2.60%. All draws are currently at prime rate plus 0.75%. The facility is secured by specific dedicated project lands and a general corporate charge over all present and after-acquired assets of the Corporation. This facility matures on February 27, 2029.

b) **Demand land project servicing and operating lines**

Three limited partnerships, Lewiston Lands Limited Partnership ("LLLP"), Huxley Lands Limited Partnership ("HLLP") and Hazel Lands Limited Partnership ("HZLP") (collectively, the "Partnerships"), have seven demand land project servicing and operating facilities up to an aggregate of $146,906 relating to three communities, with two major Canadian chartered banks at an interest rate per annum between prime and prime plus 0.50%. These facilities are secured by real estate held for development and sale with a carrying value of $118,613 and a Genesis corporate guarantee. These facilities mature between October 27, 2026 and April 30, 2029. Subsequent to September 30, 2026, a demand land project operating facility was extended from October 27, 2026 to October 27, 2027.

c) **Demand operating line for single-family homes and lots**

Genesis has a demand operating credit facility of $40,000 with a major Canadian chartered bank at an interest rate per annum of prime plus 0.50%. This facility is secured by housing projects under development with the home building division and a Genesis corporate guarantee. The facility is renewed annually.

d) **Demand operating line - CBLP**

CBLP has a demand operating credit facility of $31,523 with a major Canadian financial institution at an interest rate per annum of prime minus 0.45%. This facility is secured by the project under development with a carrying value of $13,957 and a Genesis corporate guarantee. This facility matures on November 10, 2027.

5. LOAN AND CREDIT FACILITIES (continued)

e) VTB mortgages payable - Calgary SE Land Holdings

Genesis has two VTB mortgages payable on the purchase of 1,194-acres of development land in southeast Calgary. The VTB mortgages at 0% per annum are measured at amortized cost and whose fair value at initial recognition was based on discounted future cash flows, using an 8% discount rate. An $18,088 VTB (entered on November 30, 2023) and a $42,080 VTB (entered on June 7, 2024) were entered in partial payment for the purchase of 1,194 acres of development land in southeast Calgary, secured by these lands which have a total carrying value of $68,983. The VTBs are to be paid in four annual installments commencing in November 2024 and ending in June 2028. Installments for the VTBs totaling $24,044 have been made, of which $8,000 was paid in June 2026. During the three and nine months ended September 30, 2026, the Corporation incurred finance expenses of $658 and $2,197 related to these VTBs (2025 - $846 and $2,716).

f) VTB mortgage payable - Investment in Land Development Joint Venture

Genesis has a VTB mortgage payable on an investment in land development joint venture. The VTB at 0% per annum is measured at amortized cost and whose fair value at initial recognition was based on discounted future cash flows, using a 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, on November 15, 2025 and November 15, 2026. The first installment of $2,890 has been paid. During the three and nine months ended September 30, 2026, the Corporation incurred finance expenses of $50 and $145 related to this VTB (2025 - $96 and $281).

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):

October 1, 2026 to September 30, 2027	57,807
October 1, 2027 to September 30, 2028	52,687
October 1, 2028 to September 30, 2029	33,500
	143,994

The Corporation has various covenants in place with its lenders with respect to its loan and credit facilities. Covenants include tangible net worth, debt to capitalization ratio, interest coverage ratio, 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 September 30, 2026 and at December 31, 2025, the Corporation, its subsidiaries and its controlled entities were in compliance with all loan covenants.

The Corporation's key financial covenants under its corporate revolving line of credit, and the Corporation's compliance therewith are as follows:

	September 30, 2026	**Threshold**
Tangible Net Worth	**$323,111**	Minimum $175,000
Debt to Capitalization Ratio	**0.44x**	Maximum 0.60x
Interest Coverage Ratio	**4.97x**	Minimum 3.00x

Readers are cautioned that the ratios described above do not have standardized meanings under IFRS, as the computation of these ratios is based on definitions set out in the loan agreement.

Key definitions for the purpose of calculating the Corporation's financial debt covenants are as follows:

Tangible net worth is calculated as total assets less intangible assets and goodwill, amounts due from affiliates, and total liabilities, as defined in the loan agreement.

5. LOAN AND CREDIT FACILITIES (continued)

Debt to capitalization ratio is determined as total debt (comprising loan and credit facilities, lease liabilities, certain other commitments identified in the loan agreement and income tax payable) divided by total capitalization (total debt plus tangible net worth), each calculated on a trailing twelve-month basis.

Interest coverage ratio is calculated as Earnings Before Interest, Income Taxes, Depreciation and Amortization ("EBITDA"), determined as earnings before income tax, plus interest expense and depreciation, less non-cash gains and non-recurring extraordinary or unusual gains, each as defined in the credit agreement, divided by interest expense, each calculated on a trailing twelve-month basis.

6. 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, 2024	29,423	6,813	36,236
Additions	28,997	30,427	59,424
Changes to estimates	(284)	(2,063)	(2,347)
Development and construction activities	(14,513)	(28,987)	(43,500)
As at December 31, 2025	43,623	6,190	49,813
Additions	2,724	14,967	17,691
Changes to estimates	(276)	(1,431)	(1,707)
Development and construction activities	(15,810)	(13,212)	(29,022)
As at September 30, 2026	**30,261**	**6,514**	**36,775**

7. 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 three and nine months ended September 30, 2026 and 2025:

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Basic and diluted weighted average number of common shares	**56,269,254**	56,678,556	**56,322,168**	56,722,619

c) Normal course issuer bid ("NCIB")

The Corporation renewed its NCIB on December 16, 2025. The renewed NCIB commenced on December 18, 2025 and will terminate on the earlier of: (i) December 17, 2026; 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 2,832,283 common shares under the NCIB.

The following table sets forth the number of common shares repurchased and cancelled during the three and nine months ended September 30, 2026 and 2025 under the NCIB.

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Number of shares repurchased and cancelled	**14,650**	35,687	**379,298**	126,842
Reduction in share capital	**22**	52	**559**	186
Change in retained earnings	**30**	65	**705**	224
Reduction in shareholders' equity	**52**	117	**1,264**	410
Average purchase price per share	**3.50**	3.31	**3.33**	3.24

d) Dividends paid

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Dividends declared and paid	**-**	-	**6,754**	5,956
Dividends declared and paid - per share	**-**	-	**0.12**	0.105

8. 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:

	Nine months ended September 30,	
	2026	**2025**
DSUs outstanding - beginning of period	**1,569,244**	1,678,381
DSUs granted	**83,368**	67,972
DSUs redeemed	**-**	(239,060)
DSUs outstanding - end of period	**1,652,612**	1,507,293
DSUs vested - end of period	**1,573,242**	1,294,802

The September 30, 2026 outstanding liability related to DSUs which are cash settled is $5,508 (December 31, 2025 - $5,022) 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 September 30, 2026, the Corporation granted 8,902 DSUs at an average price of $3.37 each.

b) Share-based compensation expense

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Share-based compensation expense	**105**	1,005	**486**	1,223

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

9. GENERAL AND ADMINISTRATIVE

General and administrative expenses of the Corporation consisted of the following:

	Three months ended September 30,		Nine months ended September 30,	
	2026	**2025**	**2026**	**2025**
Compensation and benefits	**4,420**	5,395	**13,388**	14,800
Share-based compensation	**105**	1,005	**486**	1,223
Corporate administration	**1,276**	1,222	**3,845**	3,584
Professional services	**428**	464	**1,266**	1,193
	6,229	8,086	**18,985**	20,800

10. 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 September 30, 2026, these commitments amounted to $19,910 (December 31, 2025 - $12,698).

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:

October 1, 2026 to September 30, 2027	17,733
October 1, 2027 to September 30, 2028	10,173
October 1, 2028 to September 30, 2029	7,903
	35,809

c) The Corporation has contracted to acquire 363 residential lots in the Calgary Metropolitan Area for $76,577 from third-party land developers and two limited partnerships, HLLP and HZLP, in which Genesis owns a 60% interest (refer to note 17). The Corporation has paid deposits totaling $10,975 with the remainder being due as follows:

	Third-party land developers	HLLP	HZLP	Total
October 1, 2026 to September 30, 2027	4,384	-	-	4,384
October 1, 2027 to September 30, 2028	12,604	18,145	5,859	36,608
October 1, 2028 to September 30, 2029	19,852	-	4,758	24,610
	36,840	18,145	10,617	65,602

11. OTHER OPERATING ASSETS

	September 30, 2026	December 31, 2025
Deposits	**5,072**	7,280
Restricted cash	**328**	429
Prepayments	**622**	1,469
Property, equipment and other	**2,276**	2,654
	8,298	11,832

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 land parcels and lots. The Corporation also provides letters of credit and surety bonds as security to guarantee the completion of certain construction projects (see note 10a for additional information).

12. CUSTOMER DEPOSITS

	September 30, 2026	December 31, 2025
Customer deposits on residential home sales	**7,064**	9,060
Customer deposits on residential lot sales	**12,193**	174
	19,257	9,234

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

13. 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 12 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 and amounts 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 value 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 condensed consolidated interim 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 September 30, 2026 and December 31, 2025 are presented in the following table:

			Carrying Value		Fair Value	
	Fair Value Hierarchy	**Measurement Basis**	**As at Sept. 30, 2026**	**As at Dec. 31, 2025**	**As at Sept. 30, 2026**	**As at Dec. 31, 2025**
Financial Assets						
Cash and cash equivalents	Level 1	FVTPL	**20,151**	17,511	**20,151**	17,511
Investments in land development entities	Level 3	FVTPL	**29,666**	24,409	**29,666**	24,409
Restricted cash [(1)]	Level 1	FVTPL	**328**	429	**328**	429
Financial Liabilities						
Cash settled DSUs [(2)]	Level 1	FVTPL	**5,508**	5,022	**5,508**	5,022

(1) Included in other operating assets.

(2) Included in accounts payable and accrued liabilities.

During the three and nine months ended September 30, 2026 and 2025, no transfers were made between the levels in the fair value hierarchy.

13. 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. Amounts 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 September 30, 2026, which comprise greater than 10% of total amounts receivable, totaled $52,314 from four customers (December 31, 2025 - $79,806 from four customers).

Amounts receivable, none of which are past due, were comprised as follows:

	September 30, 2026	December 31, 2025
Due on sold lots	**55,636**	90,736
Other receivables	**5,024**	4,326
	60,660	95,062

(ii) Liquidity risk

The contractual maturities of financial liabilities and other commitments as at September 30, 2026 were as follows:

	<1 Year	**>1 Year**	**Total**
Financial liabilities			
Accounts payable and accrued liabilities	36,398	5,508	41,906
Accounts payable related to residential lot purchases	47,561	33,808	81,369
Loan and credit facilities [(1)] (note 5)	57,807	86,187	143,994
	141,766	125,503	267,269
Commitments			
Lease obligations (including variable operating costs)	256	8,236	8,492
Lot purchase contracts (note 10c)	4,384	61,218	65,602
Levies and municipal fees (note 10b)	17,733	18,076	35,809
	22,373	87,530	109,903
	164,139	**213,033**	**377,172**

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

As at September 30, 2026, the Corporation had obligations due within the next 12 months of $164,139 (December 31, 2025 - $167,201). 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 nine months ended September 30, 2026, a secured revolving credit facility of $100,000 was put in place (note 5a). Additionally, limits for the demand land project servicing and operating facilities were amended to $146,906 (note 5b).

13. FINANCIAL INSTRUMENTS (continued)

(iii) Market risk

The Corporation is exposed to interest rate risk to the extent that certain amounts 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 $1,050 annually on floating rate facilities (2025 - $1,150).

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:

	September 30, 2026	December 31, 2025
Loan and credit facilities (note 5)	**140,637**	136,441
Shareholders' equity	**298,060**	298,488
	438,697	434,929

14. SEGMENTED INFORMATION

The income producing business units of the Corporation reported the following activities for the three and nine months ended September 30, 2026 and 2025:

Three months ended September 30, 2026	Land Development Segment	Home Building Segment	Intersegment Elimination	Total
Revenues	4,001	62,430	(4,477)	**61,954**
Direct cost of sales	(2,800)	(50,856)	5,545	**(48,111)**
Gross margin	1,201	11,574	1,068	**13,843**
Unrealized gain - investments in land development entities	379	-	-	**379**
Share of loss from equity-accounted investment	(353)	-	-	**(353)**
G&A, selling & marketing and net finance expense	(4,456)	(7,042)	-	**(11,498)**
(Loss) earnings before income taxes and non-controlling interest ("NCI")	(3,229)	4,532	1,068	**2,371**

Three months ended September 30, 2025	Land Development Segment	Home Building Segment	Intersegment Elimination	Total
Revenues	63,058	70,019	(16,151)	**116,926**
Land parcel revenues	3,620	-	(3,620)	**-**
Direct cost of sales	(52,243)	(54,284)	17,131	**(89,396)**
Gross margin	14,435	15,735	(2,640)	**27,530**
Unrealized gain - investments in land development entities	531	-	-	**531**
G&A, selling & marketing and net finance expense	(5,739)	(8,046)	-	**(13,785)**
Earnings (loss) before income taxes and NCI	9,227	7,689	(2,640)	**14,276**

14. SEGMENTED INFORMATION (continued)

Nine months ended September 30, 2026	Land Development Segment	Home Building Segment	Intersegment Elimination	Total
Revenues	19,714	185,719	(17,197)	**188,236**
Direct cost of sales	(13,917)	(152,364)	20,159	**(146,122)**
Gross margin	5,797	33,355	2,962	**42,114**
Unrealized gain - investments in land development entities	1,338	-	-	**1,338**
Share of loss from equity-accounted investment	(1,693)	-	-	**(1,693)**
G&A, selling & marketing and net finance expense	(13,328)	(21,687)	-	**(35,015)**
(Loss) earnings before income taxes and NCI	(7,886)	11,668	2,962	**6,744**
Segmented assets as at September 30, 2026	435,336	251,274	(42,982)	**643,628**
Segmented liabilities as at September 30, 2026 [(1), (2)]	212,278	145,593	(37,354)	**320,517**
Segmented net assets as at September 30, 2026 [(1), (2)]	223,058	105,681	(5,628)	**323,111**

Nine months ended September 30, 2025	Land Development Segment	Home Building Segment	Intersegment Elimination	Total
Revenues	83,222	191,202	(27,872)	**246,552**
Land parcel revenues	3,620	-	(3,620)	**-**
Direct cost of sales	(65,208)	(146,235)	29,067	**(182,376)**
Gross margin	21,634	44,967	(2,425)	**64,176**
Unrealized gain - investments in land development entities	1,593	-	-	**1,593**
G&A, selling & marketing and net finance expense	(15,088)	(21,587)	-	**(36,675)**
Earnings (loss) before income taxes and NCI	8,139	23,380	(2,425)	**29,094**
Segmented assets as at December 31, 2025	432,769	230,384	(40,869)	**622,284**
Segmented liabilities as at December 31, 2025 [(1), (2)]	191,203	135,997	(32,279)	**294,921**
Segmented net assets as at December 31, 2025 [(1), (2)]	241,566	94,387	(8,590)	**327,363**

[(1)] Segmented liabilities under the Genesis land development segment include $9,531 due to the home building segment (December 31, 2025 - $326 due from the home building segment to the land development segment).

[(2)] Segmented liabilities relating to LLLP, HLLP and HZLP comprise accounts payable and accrued liabilities and includes $1,895 due to Genesis (December 31, 2025 - $3,423).

15. INVESTMENTS IN LAND DEVELOPMENT ENTITIES

	As at December 31, 2025	Investment	Distribution received	Unrealized gain in fair value	As at September 30, 2026
Limited Partnership - 5%	1,159	-	(81)	50	**1,128**
Joint Venture - 8%	4,466	-	-	204	**4,670**
Limited Partnership - 16.7%	5,756	-	-	263	**6,019**
Joint Venture - 12.5%	9,093	-	-	237	**9,330**
Joint Venture - 15%	3,935	-	-	584	**4,519**
Limited Partnership - 20%	-	4,000	-	-	**4,000**
Total	**24,409**	**4,000**	**(81)**	**1,338**	**29,666**

The fair value of investments in land development entities is based on the market value approach method and used third-party appraisals during the fourth quarter of 2025. This method used prices and other relevant information generated by market transactions involving identical or comparable assets. Where applicable, adjustments are made during interim periods to reflect changes in fair value, incorporating management's estimates and assumptions. During the three and nine months ended September 30, 2026, the Corporation recorded $379 and $1,338, respectively, as unrealized gains on investments held in the period (2025 - $531 and $1,593).

During the nine months ended September 30, 2026, the Corporation acquired a 20% interest in a limited partnership for $4,000 which is expected to commence development on 133 acres of land in east Calgary with lot delivery in 2029.

16. 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 and developing 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 units in SHEA LP by way of a capital investment of $3,589 in 2022.

	Total
As at December 31, 2024	4,029
As at December 31, 2025	4,029
Net loss	(1,693)
As at September 30, 2026	**2,336**

The investment in SHEA LP is accounted for using the equity method. The carrying amount of the investment was $2,336 at September 30, 2026 (December 31, 2025 - $4,029). The decrease reflects the Corporation's share of SHEA LP's net loss of $1,693 for the nine months ended September 30, 2026, as SHEA LP is in the lease-up phase following completion of construction in 2025, with operating, financing and other costs exceeding rental revenue. SHEA LP constructed two six-storey buildings with a total of 290 units in the NW Calgary community of Sage Hill. As of September 30, 2026, 123 of the units (42.4%) were leased.

17. LAND DEVELOPMENT 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 the Keystone Area Structure Plan ("ASP") on the north side of the City of Calgary. The transaction closed on January 16, 2023, for 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). As at September 30, 2026, LLLP accounts for $10,442 of the NCI on the condensed consolidated interim balance sheets (December 31, 2025 - $13,871) and ($1,029) on the condensed consolidated interim statements of comprehensive income (September 30, 2025 - ($913)). During the nine months ended September 30, 2026, LLLP made distributions of $2,400 to non-controlling interest holders.

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 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). As at September 30, 2026, HLLP accounts for $7,185 of the NCI on the condensed consolidated interim balance sheets (December 31, 2025 - $8,342) and ($1,157) on the condensed consolidated interim statements of comprehensive income (September 30, 2025 - $2,397).

c) In December 2025, the Corporation entered into binding agreements to sell a 20% ownership stake in HZLP to each of two Calgary based third party home builders. HZLP owns 160 acres of residential development land located in the South Shepard ASP on the southeast side of the City of Calgary. The transaction closed on December 17, 2025, for consideration for each 20% ownership stake of $6,850 (net of assumption of debt of $2,700 each) resulting in gross proceeds for the sale of a 40% ownership interest of $13,700 (net of assumption of debt of $5,400). As at September 30, 2026, HZLP accounts for $7,424 of the NCI on the condensed consolidated interim balance sheets (December 31, 2025 - $6,662) and ($238) on the condensed consolidated interim statements of comprehensive income (September 30, 2025 - $Nil). During the nine months ended September 30, 2026, HZLP received capital contributions of $1,000 from non-controlling interest holders.

18. CONSOLIDATED ENTITIES

The condensed consolidated interim 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 partnerships that the Corporation controls. The Corporation has majority ownership positions in LLLP, HLLP and HZLP. 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 partnerships indicates that they are controlled by the Corporation. Accordingly, the accounts of the limited partnerships have been consolidated in the Corporation's condensed consolidated interim financial statements.

19. SUBSEQUENT EVENTS

Subsequent to September 30, 2026, the following occurred:

On November 4, 2026, the Corporation declared a dividend of $0.13 per share (for a total payment of $7,314), payable on November 25, 2026 to shareholders of record on November 13, 2026.