



GLOBAL EDUCATION COMMUNITIES CORP.

**MANAGEMENT'S DISCUSSION & ANALYSIS
(EXPRESSED IN THOUSANDS OF CANADIAN DOLLARS UNLESS OTHERWISE STATED)**

FOR YEARS ENDED AUGUST 31, 2025 AND 2024

GLOBAL EDUCATION COMMUNITIES CORP.
(the “Company” or “GECC”)
MANAGEMENT’S DISCUSSION & ANALYSIS
FOR YEARS ENDED AUGUST 31, 2025 AND 2024

The following Management’s Discussion & Analysis (“MD&A”) is prepared in accordance with Form 51-102F1 and should be read in conjunction with the Company’s consolidated financial statements and related notes for the years ended August 31, 2025 and 2024 which have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), except as outlined in section “Non-IFRS Financial Measurements”. The comparatives in this MD&A have been presented in accordance with IFRS Accounting Standards. Additional information about the Company and its subsidiaries, including its annual information form, is available under the Company’s profile on SEDAR+ (www.sedarplus.ca).

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements, which relate to future events or the Company’s future performance that include terms such as “will”, “intend”, “anticipate”, “could”, “should”, “may”, “might”, “expect”, “estimate”, “forecast”, “plan”, “potential”, “project”, “assume”, “contemplate”, “believe”, “shall” and similar terms. These statements involve known and unknown risks, uncertainties and other factors that are beyond the Company’s control, which may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

The forward-looking statements (and their underlying material factors or assumptions) in this MD&A include, without limitation, the following:

1. The Company expects that it will continue to meet obligations as they become due: the underlying material assumption is that the Company will continue to generate cash from operations and be able to secure new equity or debt financing under reasonable terms and/or refinance existing borrowings as required.
2. The Company’s plans for the proposed GEC® real estate projects: the underlying material factors or assumptions are that sufficient equity financing is raised from the investment community and that the applicable limited partnerships are able to secure new loans and to refinance existing loans upon their maturities to enable the purchase and development of the projects; that the relevant municipalities are receptive to the proposed building plans; that these projects can be built or acquired for a price determined reasonable by the Company and its investment partners; there are no significant municipal and provincial government policy changes, and these projects can be completed in a reasonable amount of time as determined by the Company and the developers. The Company has made assumptions on future revenue from properties under development based on expected rental rates, occupancy rates and proposed building plans.

The Company believes the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this MD&A should not be unduly relied upon. These forward-looking statements apply as of the date of this MD&A, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as required by applicable securities law.

Reference should also be made to the risks described herein under the heading “Risks Related to the Company’s Business” for a discussion of these and other sources of factors underlying forward-looking statements and those additional risks set forth under the heading “Risk Factors” and elsewhere in the Company’s annual information form for the year ended August 31, 2025 which is available under the Company’s profile on SEDAR+ (www.sedarplus.ca).

All figures are in thousands of Canadian dollars except share and per share data unless otherwise noted.

This MD&A has been prepared as of December 3, 2025. In this MD&A, the following terms have the meanings shown:

“**Annual Financial Statements**” means the Company’s consolidated financial statements for Fiscal 2025.

“**Annual MD&A**” means the Company’s MD&A for Fiscal, 2025.

“**Fiscal 2025**” means the fiscal year ended August 31, 2025.

“**Fiscal 2024**” means the fiscal year ended August 31, 2024.

“**Fiscal 2023**” means the fiscal year ended August 31, 2023.

“**Q4 2025**” means the three months ended August 31, 2025.

“**Q3 2025**” means the three months ended May 31, 2025.

“**Q2 2025**” means the three months ended February 28, 2025.

“**Q1 2025**” means the three months ended November 30, 2024.

“**Q1 2024**” means the three months ended November 30, 2023.

“**Q2 2024**” means the three months ended February 29, 2024.

“**Q3 2024**” means the three months ended May 31, 2024.

“**Q4 2024**” means the three months ended August 31, 2024.

NON-IFRS FINANCIAL MEASUREMENTS

The Company has included certain non-IFRS financial measures and non-IFRS ratios throughout this document including: (a) Earnings before Interest, Taxes, Depreciation and Amortization (“**EBITDA**”) from continuing operations; (b) Adjusted EBITDA from continuing operations, which is EBITDA from continuing operations adjusted for the one-off gains (losses) on sale of property and equipment, gain (loss) on change in fair value of the Company’s controlled and jointly controlled properties, and the gain (loss) on change in fair value of derivative instruments; and (c) Gross Profit (“**Gross Profit**”) which is the difference between revenue and direct costs of sales and, and gross margin (“**Gross Margin**”) which is a non-IFRS ratio calculated as Gross Profit, divided by revenues, expressed as a percentage. These non-IFRS financial measurements do not have any standardized meaning as prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Accordingly, these performance measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management uses EBITDA and Adjusted EBITDA metrics to measure the profit trends of the business units and segments in the consolidated group since it eliminates the effects of financing decisions. Management uses Gross Profit and Gross Margin to assess how efficiently the Company generates profit from the sale of goods or services. Certain investors, analysts and others utilize these non-IFRS financial metrics in assessing the Company’s financial performance. These non-IFRS financial measurements have not been presented as an alternative to net income (loss) or any other financial measure of performance prescribed by IFRS. Further information on non-IFRS specified financial measures has been provided in the “Non-IFRS Financial Measures” section of this MD&A.

Date of Report – December 3, 2025

**GLOBAL EDUCATION COMMUNITIES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR YEAR ENDED AUGUST 31, 2025 AND 2024**

NATURE OF BUSINESS

GECC is one of the largest education and student housing investment companies in Canada, focused on the domestic and global education market since 1994. The Company's common shares trade on the Toronto Stock Exchange under the trading symbol 'GEC' and on the OTCQB under the symbol 'GECSEF'.

The Company owns business and language colleges, student-centric rental apartments, recruitment centres and has corporate offices in Canada and abroad. It offers educational programs in business management, customer service, digital marketing, and language training via its education subsidiaries. Its real estate business provides rental housing and accommodation services to 95 schools in Metro Vancouver, serving domestic and international students from 79 countries. In Fiscal 2025, the Company provided educational and housing services to over 12,500 students. The Company controls and is an investor in limited partnerships that own a network of serviced apartments. Certain subsidiaries of the Company act as general partners and/or managers of these limited partnerships. The Company also has joint control over limited partnerships that own and develop investment properties under construction.

The Company's operating entities are as follows:

Legal / Operating Entity	Business Description
Global Education City Holdings Inc. ("GECH")	Investment holding, development and management company with a focus on real estate projects such as serviced apartments for domestic and international students in Metro Vancouver
SSLC College Inc ("SSLC")	Includes SSLC Business College (formerly Vancouver Internal College or "VIC"). SSLC is an English as a Second Language college, offering accredited programs such as General English (ESL), College Preparation/Pathway, Business English, Medical English, English Language Test Preparation, Vacation English and Online English Career-training College, offering accredited programs in the following fields: Business Management, Customer Service, TESOL Teacher Training; Interpreting and Translation for Koreans and Online English Teacher Training
Global Education Alliance Inc. ("GEA")	Recruitment of international students and on-ground concierge services for elite kindergarten, primary, secondary school and university students coming to study in North America
CIBT School of Business & Technology Corp. ("CIBT")	College program provider offering automotive technical training, English teacher preparation, English as Second Language, and accounting programs in Asia
IRIX Design Group Inc. ("IRIX")	Design and advertising company which mainly services the real estate and the retail consumer industries

The Company's primary business units consist of three categories with Corporate (head office) as the supporting hub: *Student housing properties*: GECH; *Education*: SSLC, GEA, and CIBT; and *Media*: IRIX.

Except for GEC® Viva and GEC® Kingsway, which are investment properties under long term leases, and GEC® Oakridge and GEC® EMC, which the Company jointly controls with third party partners, the Company's subsidiaries hold equity in and control the limited partnerships that beneficially own the properties comprising the Company's student housing portfolio.

During the year ended August 31, 2025, a strategic decision was made by the Company to concentrate its efforts on the development, construction, and operation of its GEC® student housing portfolio. This strategic shift will enable the Company to capitalize on its position as the largest off-campus student housing provider in British Columbia. On August 7, 2025, the Company completed the divestment of the Sprott Shaw College Corp. ("SSCC") business unit, which provides private career and technical training, offering college diplomas and certificates in health care, tourism, hospitality, business, administrative, technical trades, and international studies in Canada. In accordance with the IFRS Accounting Standards, SSCC's financial results have been classified as discontinued operations for Fiscal 2025, Fiscal 2024 and Fiscal 2023.

FOURTH QUARTER AND FULL YEAR HIGHLIGHTS

Strategic Divestiture of SSCC

On August 7, GECC completed the divestment of SSCC at an attractive multiple of SSCC's earnings, receiving total consideration of \$35,464. Following the divestment of SSCC, the Company decreased its debts and increased its cash position, enabling the Company to focus its resources on the development, construction and operation of its GEC® student housing portfolio.

GEC® Oakridge

On November 20, 2024, the Company executed several agreements relating to the investment in the GEC® Oakridge investment property by an affiliate of Pomerleau Capital Inc. ("PCAP"). A series of reorganization transactions were completed which resulted in the Company and PCAP jointly controlling the limited partnership which owns the GEC® Oakridge investment property ("LP11"). PCAP's gross investment amount was \$10,000, of which \$5,000 was invested into the LP11 and \$5,000 was repatriated by the existing unit holders, which are controlled limited partnerships of the Company. Upon completion of these transactions, PCAP and the Company own 34.5% and 13.1% equity interest in LP11, respectively. The remaining 52.4% of LP11 is owned by a limited partnership of which the Company gained control following the reorganization.

GEC® EMC

On May 1, 2025, the Company executed several agreements with Pure Group of Companies (the "Pure Group") to develop the flagship GEC® Education Mega Center ("GEC® EMC") investment property. A series of reorganization transactions were completed which resulted in the Company and the Pure Group jointly controlling the newly formed limited partnership (the "Pure GECC LP") which became the beneficial owner of the GEC® EMC investment property. The agreements entered into establish the framework for a collaborative relationship between the Pure Group and the Company by outlining their respective roles and responsibilities in the development, construction and operations management of GEC® EMC. The Pure Group and GECC will be co-general partners of the GEC® EMC project. The Pure Group will be responsible for the development, financing, construction and asset management of the property. The property will be operated by GEC® upon construction completion.

The Pure Group contributed \$4,000 in cash in exchange for 20% of equity interest in Pure GECC LP, and the Company contributed the GEC® EMC investment property in exchange for 80% of equity interest in, and \$7,750 in non-interest-bearing receivables from, the Pure GECC LP. Pure GECC LP also assumed all secured loans associated with the GEC® EMC investment property as part of the transaction.

On June 24, 2025, the Company announced that GEC® EMC has received both rezoning and development permit approvals, subject to finalizing all applicable documents. The approved development envisions a 49-storey mixed-use tower comprising of one level of retail space, two levels of commercial space, three levels of market rental units for education sector staff working for GECC's partner schools, and forty-three levels of fully furnished, student-centric market rental units housing up to 1,380 residents. An excavation permit application was submitted in July 2025.

GEC® Langara

In June 2025, the Company announced that it has received approval from the City of Vancouver Urban Design Panel ("UDP"), an independent advisory board consisting of design professionals. The approval allows the GEC® Langara project to progress towards Vancouver Council and Planning Department approvals to increase its density significantly. With the UDP support, the project may, subject to receipt of City Council and Planning Department approvals, expand from the originally planned 10 floors to an increased 26 floors. This approval will substantially reduce the cost per buildable square foot by nearly 50% and is projected to increase annual rental income commencing in its first full academic year of operation from an estimated \$3,500 to \$11,500. The parking requirement has also been reduced.

GEC® Richmond

Pursuant to a Purchase and Development Agreement ("LP9 PDA") with a Vancouver developer for the construction of a number of buildings, a partnership that the Company holds an ownership interest in, GEC Limited Partnership 9 ("GEC LP9") had paid a total of \$60,000 in deposits associated with the right to purchase a portion of the completed project. The LP9 PDA was subsequently amended with \$20,000 of the deposits already paid to be returned to GEC LP9 with the remainder \$40,000 deposit to be applied to the purchase price. The \$20,000 receivable is subject to interest of 15% per annum and the Company has recognized accrued interest of \$6,000 as at August 31, 2025 (August 31, 2024 - \$6,000).

Numerous project milestones were missed and on April 1, 2022, the developer and its partners (collectively, the "Developer") applied for and were granted an initial order to commence proceedings under the Canadian *Companies' Creditor Arrangement Act* (the

“CCAA”) to restructure its business. Under the CCAA proceedings, the Developer under the supervision of the Supreme Court of British Columbia (the “Court), was to determine whether the project would be restructured or sold.

At August 31, 2025, it was not known whether there would be a successful bid for the purchase of the property or restructuring of the project; however, based on activity there is the possibility that GEC LP9 may not be repaid any portion of the amount receivable from the Developer, despite this balance being secured by a third mortgage. GEC LP9 has recognized an expected credit loss provision related to the \$20,000 receivable (plus \$6,000 of accrued interest) due from the developer of \$22,700, and an impairment loss of \$40,000 related to the \$40,000 deposit during the year ended August 31, 2022. At August 31, 2025, net development assets associated with GEC® Richmond was \$3,300 (August 31, 2024 - \$3,300).

On October 6, 2022, GEC LP9 and its general partner filed a notice of civil claim with the Supreme Court commencing legal action against the mortgage lender for the project. In December 2022, GEC LP9 and its general partner responded to a counterclaim filed. If the civil claim is successful, GEC LP9 could receive some or all of the amounts for which a provision or impairment loss have previously been recognized. The liability portion of the trial completed in May 2024. On August 7, 2024, the Supreme Court dismissed the claims of GEC LP9 and its general partner and allowed the mortgage lender’s counterclaim against them with damages to be assessed (the “Trial Decision”). GEC LP9 and its general partner have appealed the Trial Decision to the BC Court of Appeal. By means of a decision dated September 22, 2025, the BC Court of Appeal allowed the appeal in part and remitted certain questions back to the BC Supreme Court. Also, on or about November 21, 2025, the mortgage lender applied for leave to the Supreme Court of Canada, seeking to overturn portions of the BC Court of Appeal decision. Proceedings in both the BC Court of Appeal and Supreme Court of Canada Appeal remain on-going at this time.

Other Projects

Stabilized and increased rental incomes were achieved at GEC® Burnaby, GEC® King Edward, GEC® Pearson, and GEC® Marine Gateway with limited vacancies.

Investment Property Fair Value

The fair value of investment properties at August 31, 2025 was \$306,494 (August 31, 2024 - \$419,002). During Fiscal 2025, the Company capitalized developments costs of \$1,771 (2024 - \$6,672) and financing costs of \$8,503 (2024 - \$12,412) associated with properties under development. The majority of development costs were associated with GEC® Oakridge, GEC® Kingsway, GEC® King Edward, GEC® VIVA, GEC® Langara and GEC® EMC.

During Fiscal 2025, the Company recognized a net fair value loss on investment properties of \$17,282 (2024 - \$25,844). This amount includes a loss of \$5,040 associated with the right-of-use investment properties (2024 – gain of \$1,415); a loss of \$5,803 associated with revenue producing investment properties (Fiscal 2024 – gain of \$8,629); and a loss of \$6,439 associated with properties under development (2024 - \$35,888). The challenging and inactive real estate market conditions from Fiscal 2024 continued in Fiscal 2025, with a stagnant market highlighted by various distressed transactions during the year. Note 5(b) to the Annual Financial Statements includes a sensitivity analysis of the impact of changes of key inputs and assumptions on the fair value of investment properties.

Net loss from changes in fair value of investments properties was primarily due to GEC® Cyber City, GEC® Viva and GEC® Kingsway. GEC® Cyber City suffered the highest fair value declines due to its location and current state of development. GEC® Viva and GEC® Kingsway are right-of-use assets classified as an investment properties and remeasured at each reporting period end. The Company expects, as the remaining cash flows receivable under each lease continues to decline as a function of time, that there will be a fair value loss each reporting period until the end of each lease which will reduce the applicable right-of-use asset to zero.

During Fiscal 2025, the Company also derecognized \$105,500 of investment properties due to a series of reorganization transactions. As a result of the reorganization transactions, the Company and Pomerleau Capital Inc., jointly controls a limited partnership which owns the GEC® Oakridge investment property. The Company and Pure Group of Companies jointly control a newly formed limited partnership, the "Pure GECC LP", which became the beneficial owner of the GEC® EMC.

Borrowings

During Fiscal 2025, the Company secured approximately \$143,300 of Canadian Mortgage and Housing Corporation ("CMHC") sponsored project financing which will be converted into a 40-year mortgage upon completion of project constructions. Furthermore, limited partnerships controlled by the Company repaid \$61,486 in existing secured mortgages and borrowed \$58,827 of secured mortgages. In addition, the Company modified the terms of various financing arrangements resulting in net non-cash gains of \$1,132 on non-substantial modifications of debt being recognized, majority of which were included in Finance costs in the consolidated statements of income (loss) and comprehensive income (loss). The Company also repaid \$3,783 of other borrowings. The Company has also successfully refinanced several secured loans during the year at lower interest rates, resulting in a significant reduction to the weighted-average interest rate on borrowings from 8.1% at August 31, 2024 to 5.7% at August 31, 2025.

During Fiscal 2025, the Bank of Canada policy interest rate decreased from 4.50% to 2.75%. As of the date of this MD&A, the policy interest rate is at 2.25%¹. The Bank of Canada has suggested that if the inflation stays in line with the bank's current expectations of approximately 2%, the central bank will hold rates at the current level. However, possibility exists that the policy interest rate will be adjusted given the uncertainty around the future economic condition. See Note 23(c) of the Annual Financial Statements for additional information on the interest rate risk.

INDUSTRY CLIMATE

In recent years, Canada has remained in the top 10 best countries in the world for study abroad by educations.com's² country rankings and was ranked as the 4th best country for education out of 85 countries in the world by U.S. News³.

Canada offers one of the world's most attractive packages to international students as they are eligible to work part time to support their expenses and gain work experience. Upon completion of their programs, students may choose to apply for postgraduate work permits and are offered various immigration pathways to stay in Canada.

After Canada re-opened its borders for international students in late 2021, a surge in registrations and enrollments was observed starting in the fall of 2022 which continued through to early Fiscal 2024. The high growth in demand from students in emerging markets to study in countries like Canada, coupled with the Canadian government's support to attract more international students, presented the Company with opportunities to use its infrastructure to further expand its market share.

However, in 2024, the Federal government announced new measures to restore balance and control to Canada's immigration levels, including efforts to stabilize the growth and improve the quality of international students entering Canada. The primary goal of the government is to alleviate pressure on housing, healthcare, and other essential services.

In January 2025, the Federal government announced that the Immigration, Refugees, and Citizenship Canada ("IRCC") plans to issue a total of 437,000 study permits, representing a 10% decrease from 2024⁴. Between January to August 2025, there were 132,505 fewer new students arriving in Canada compared to the same period in 2024⁵. As of August 31, 2025, there were 514,540 study permit holders. The Government of Canada has capped the new permits for international students coming to Canada to 155,000 per year in 2026, 150,000 in 2027 and 150,000 in 2028. These limits only apply to new permits and do not include permit extensions or in-Canada study permit applications.

Notwithstanding this, there continues to be an excess demand and under supply of student housing which makes it an attractive opportunity as it provides a predictable income stream. The student housing market is an estimated \$1.12 billion market in British Columbia.

GEC[®] Student Centric Rental Housing Business

The Company currently provides housing solutions to 95 schools, servicing domestic and international students studying in Metro Vancouver through its student-centric rental facilities. International and domestic students benefit greatly from these facilities as many schools in Metro Vancouver do not provide housing options for their students. Those that do provide housing services have a limited number of available beds, forcing most students to find homes in the private rental market. One of the primary challenges faced by students is finding a home that is affordable⁶. The influx of students into the private rental market also means there are fewer rental units for other residents. The accumulation of student loans and other loans paired with higher interest rates in recent years impacts the students short- and long-term financial stability, delaying achievement of milestones, limiting career choices, and having to compromise with sub-optimal living conditions such as long commute times which could encroach on study time. British Columbia has a highly diverse student demographic, comprising domestic and international students attending institutes, colleges, teaching-intensive and research-intensive universities, spanning developmental, undergraduate, and graduate study levels⁷. All GEC properties are strategically located near public transportation hubs, including SkyTrain stations and major bus routes, to fulfill the needs of all student types. All GEC properties are also fully furnished with cooking utensils, bedding supplies, high security, weekly housekeeping, on-site caretakers, surveillance cameras in all public areas, utilities and high-speed internet. The Company's fully furnished suites allow students to move in and out without the stress of securing furniture and then disposing of it after completing their education.

Due to the temporary slowdown of international students entering Canada, the Company increased its marketing focus toward the domestic market to offset the reduction in international student occupants. As of August 31, 2025, GECC's student housing portfolio had strong occupancy across its properties. This high demand is driven by the robust student population in British Columbia, which includes over 500,000 domestic and international students at the college and university levels, as well as a strong market for short-term international students for language studies and summer programs, which are not capped by federal government policies⁸.

¹ <https://www.bankofcanada.ca/core-functions/monetary-policy/key-interest-rate/>

² <https://www.educations.com/top-10-lists/top-10-places-to-study-abroad-global-18096>

³ <https://www.usnews.com/news/best-countries/best-countries-for-education?slide=2>

⁴ <https://www.canada.ca/en/immigration-refugees-citizenship/news/notices/2025-provincial-territorial-allocations-under-international-student-cap.html>

⁵ <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/reports-statistics/statistics-open-data/immigration-stats/students-workers.html>

⁶ <https://www.desjardins.com/content/dam/pdf/en/personal/savings-investment/economic-studies/canada-part-1-student-housing-3-september-2024.pdf>

⁷ https://www2.gov.bc.ca/assets/gov/education/post-secondary-education/data-research/stp/stp2023_international_research_results_2025-02-07_final2.pdf

⁸ https://www2.gov.bc.ca/assets/gov/education/post-secondary-education/data-research/stp/stp2023_international_research_results_2025-02-07_final2.pdf

Future Outlook

Beginning January 1, 2026, master's and graduate students planning to enroll at a public university in Canada, most of which are GECC's school partners, will be exempt from the enrolment cap⁹. Study permit applications for doctoral students will now be processed on an expedited process within 14 days. Further, postgraduate students on master's and PhD programs at publicly funded universities will not need a Provincial Attestation Letter when applying for a study permit. This is expected to sustain stable or increasing demand for the Company's student housing while supporting the government's goal in making Canada a top destination for global talent.

While the cap on international student study permits will impact the long-term pipeline if the cap remains in place, the Company expects the student housing sector to remain resilient and continue to demonstrate strong performance. While the BC government has committed to build 12,000 on-campus beds throughout the province from 2018 to 2028¹⁰, purpose-built student accommodation is capital-intensive multi-year projects subject to borrowing constraints, location-sensitive, which presents barriers to building student housing for competitors. In particular, privately owned student housing is subject to the same development charges, zoning requirements and property taxes of other private real estate. There is a greater concentration of Canadian student housing providers in Eastern Canada and Western Canada, leaving GECC with high competition strength in British Columbia¹¹.

In addition, the Company plans to continue to utilize its existing education business and its global recruitment network as the base business-to-consumer ("B2C model"). The B2C model is a reservation and marketing platform allowing domestic and international students studying at any school to register for accommodation services. The Company is also continuing to forge new partnerships with other education institutions for its business-to-business model ("B2B model"). The Company has over 90 B2B school partners in Metro Vancouver to provide tenants for the Company's student housing.

The Company is aggressively expanding by building more student rental housing in British Columbia. The Company's projects under development include GEC[®] Richmond, GEC[®] EMC, GEC[®] Langara and GEC[®] Oakridge. Construction of the GEC[®] Richmond is currently inactive. The timing of development of these projects is, in part, dependent on the approval of the respective municipalities for authorization of rezoning, development, building and occupancy permits depending on the stage of development for the project. The Company plans to continue adding more beds to its residential portfolio by focusing on completing the current projects under development. The Company will also continue its rollout of the Master Lease Partnership Program, entering long term master leases with local develops to deploy purpose-built student housing rental units to the market. These projects will strategically expand the GEC[®] footprint and contribute to the Company's development fee and rental revenues in the future. By 2027, 1,750 beds from GEC Oakridge, 2,400 beds at GEC Langara, and 3,800 beds at GEC EMC are expected to be fully operational. The Company aims to achieve economies of scale and leveraging its existing infrastructure and marketing presence to dominate the local market to continue to generate rental revenues for the foreseeable future.

⁹ <https://monitor.icef.com/2025/11/canada-announces-new-incentives-for-international-recruitment-of-masters-and-phd-students/>

¹⁰ <https://news.gov.bc.ca/releases/2023PSFS0035-000776#:~:text=Student%20housing%20investments%20provide%20homes.pressure%20off%20local%20rental%20markets.&text=533%20beds%20at%20Thompson%20Rivers.Completed%20December%202020>

¹¹ <https://www.bonard.com/insights/canadian-pbsa-a-sector-with-plenty-of-room-for-growth#form>

SELECTED ANNUAL INFORMATION AND REVIEW OF ANNUAL FINANCIAL RESULTS

The tables below provide key financial performance of each main business segment of the Company's continuing operations for Fiscal 2025, Fiscal 2024, and Fiscal 2023 and compares Fiscal 2025 to Fiscal 2024. Information by business segment for Fiscal 2025 and Fiscal 2024 are presented in Note 29 to the Annual Financial Statements. This information should be read in conjunction with the Annual Financial Statements.

	Fiscal 2025	Fiscal 2024 ⁽²⁾	Fiscal 2023 ⁽²⁾	\$ Change	% Change ⁽³⁾
Total revenues	\$ 29,037	\$ 35,235	\$ 39,333	\$ (6,198)	(18)%
Gross margin ⁽²⁾	59%	57%	55%	2%	
Rental revenues – GECH	\$ 17,101	\$ 17,250	\$ 21,130	\$ (149)	(1)%
Gross margin – GECH	71%	67%	63%	4%	
Educational revenues – SSLC / VIC	\$ 8,422	\$ 12,545	\$ 13,934	\$ (4,123)	(33)%
Gross margin – SSLC / VIC	41%	41%	38%	-	
Educational revenues – CIBT	\$ 1,687	\$ 2,089	\$ 2,217	\$ (402)	(19)%
Gross margin – CIBT	35%	32%	36%	3%	
Development fees – GECH and Corporate	\$ -	\$ 1,467	\$ 479	\$ (1,467)	(100)%
Gross margin - GECH and Corporate					
Design and advertising revenues – IRIX	\$ 362	\$ 579	\$ 420	\$ (217)	(37)%
Gross margin – IRIX	72%	77%	79%	(5)%	
Commissions and referral fees – GEA	\$ 1,465	\$ 1,305	\$ 1,153	\$ 160	12%
Gross margin – GEA	54%	53%	63%	1%	
Gross profit ⁽²⁾	\$ 17,193	\$ 19,946	\$ 20,764	\$ (2,753)	(14)%
Other operating costs	(15,109)	(16,654)	(15,333)	1,545	9%
Finance costs	(12,752)	(13,089)	(15,487)	337	3%
Net gain (loss) on investment property fair value changes	(17,282)	(25,844)	7,835	8,562	33%
Gain related to investment in joint venture	(6,491)	-	-	(6,491)	-
Gain on divestment of hotel property	-	10,385	-	(10,385)	(100)%
Other income (expense), net	98	(222)	51	320	144%
Income (loss) before income taxes	\$ (34,343)	\$ (25,478)	\$ (2,170)	\$ (8,865)	(35)%
Income tax recovery (expense)	2,140	2,679	727	(539)	(20)%
Net income (loss) from continuing operations	\$ (32,203)	\$ (22,799)	\$ (1,443)	\$ (9,404)	41%
Net income for the year from discontinued operations	36,200	1,526	807	34,674	2,272%
Net income (loss)	\$ 3,997	\$ (21,273)	\$ (636)	\$ 25,270	(119)%
Net income to shareholders	\$ 22,141	\$ 1,094	\$ 21,731	\$ 21,047	1,924%
Net income per share to shareholders					
Basic	\$ 0.33	\$ 0.02	\$ (0.06)	\$ 0.31	1,541%
Diluted	\$ 0.29	\$ 0.02	\$ (0.06)	\$ 0.27	1,359%
Net income per share to shareholders - continuing operations					
Basic and diluted	\$ (0.21)	\$ 0.00	\$ (0.02)	\$ (0.21)	-
EBITDA - continuing operations [Non-IFRS] (2)	\$ (20,464)	\$ (9,971)	\$ 17,949	\$ (10,493)	105%
Adjusted EBITDA - continuing operations [Non-IFRS] (2)	\$ 1,288	\$ 5,991	\$ 10,118	\$ (4,703)	(79)%
Total assets	\$ 377,356	\$ 475,211	\$ 497,682	\$ (97,855)	(21)%
Total non-current financial liabilities	\$ 148,350	\$ 198,042	\$ 159,452	\$ (49,692)	(25)%

⁽¹⁾ Results have been adjusted for discontinued operations from previously reported amounts.

⁽²⁾ See the section titled “Non-IFRS Financial Measures” for more information on each non-IFRS specified financial measure. Gross margins reflected in the table above and referenced in the MD&A below as “Margins”. See section “EBITDA and Adjusted EBITDA” for further details.

⁽³⁾ Percentage change amounts reflect the relative change in the individual balance with a positive change reflecting an increase in net income or a decrease in net loss, and negative change reflecting a decrease in net income or increase in net loss.

Operating results

Real estate and student housing

- The Company completed the sale of GEC® Granville in Q1 2024, resulting in \$2,330 of lost revenue in Fiscal 2025 when compared to Fiscal 2024. Adjusting for the lost revenue, rental revenues increased by \$2,181 in Fiscal 2025 due to the commencement of operations of GEC® Kingsway in August 2024, higher occupancy at GEC® Viva which underwent major renovations in 2024. The increase was partially offset by lower occupancy for other rental properties, including some units intentionally left empty as management considered alternate layouts.
- Margins in Fiscal 2025 increased to 71% compared to 67% in Fiscal 2024 primarily due to the sale of the lower margin GEC® Granville hotel. Direct costs remained consistent across all other properties.

Educational

Educational revenues predominately consist of tuition fees, sales of textbooks, supplies and related items, and other non-training services, which include registration and administration fees. Deferred education revenues at August 31, 2025 were \$3,099 (August 31, 2024 - \$19,731) which primarily represents revenues which will be recognized as programs are provided by each education business over the next one to two fiscal years depending on the various types of programs. Overall education revenues decreased by \$4,450 in Q4 2025 and decreased \$8,467 in Fiscal 2025 when compared to the respective prior periods.

- Revenues for SSLC decreased in Q4 2025 compared to Q4 2024 and Fiscal 2025 compared to Fiscal 2024 as student enrollment continues to slow in the most recent quarters. In Q2 2024, the Federal government announced amendments to its study permit policies which caused a slowdown of incoming international students. The new policies caused immediate confusion in the marketplace with some of SSLC's overseas agents re-directing student pipelines to other countries. While the Federal government subsequently clarified its new policies, student enrollment has not recovered. The Company continues to observe a reduced number of provincial attestation letters issued to international students, other than master's and graduate students, which is now mandatory when applying for Canadian study permits.
- Revenues for CIBT decreased in Fiscal 2025 and Fiscal 2024 when compared with the respective prior periods due to lower student enrollment, while margin has remained consistent.

Development fees

- In Fiscal 2025, the Company recognized \$Nil of development fees associated with the development of its real estate projects. As noted below in section "Quarterly Financial Review", development fees recognition is dependent on the status of real estate projects, and the amount and timing vary from period to period.

Other operating costs (general and administrative expenses, provision for expected credit losses on trade and other receivables, depreciation and amortization, and share-based payment expense)

- General and administrative expenses decreased by \$1,661 in Fiscal 2025 compared to Fiscal 2024 as the Company continues its cost reduction efforts, with the most significant decreases coming from salaries and benefits of \$890, general office expenditures of \$319, consulting and management fees of \$342, rent of \$602, offset by an increase in professional fees \$460.
- Provision for expected credit losses increased by \$181 in Fiscal 2025 compared to Fiscal 2024 for aged accounts receivable relating to the college programs in Asia which is unlikely to be recovered despite the Company's collection efforts.

Divestment of SSCC

- During Q4 of Fiscal 2025, the Company completed the divestment of SSCC which resulted in a net gain of \$35,156. The divestment allows the Company to focus its resources on the development, construction and operation of its GEC® student housing portfolio.
- Excluding the gain on divestment of SSCC, the Company recorded net income from SSCC operations of \$1,044 in Fiscal 2025 compared to \$1,526 in Fiscal 2024. Net gain on divestment of SSCC and net income from SSCC operations have been presented as a discontinued operations on the consolidated statements of income (loss) and comprehensive income (loss) of the Annual Financial Statements.

Finance costs

Finance costs include interest expense on borrowings, finance fees (including accretion of finance fees and other), accretion of lease liabilities, debt modification gains and changes in fair value of embedded derivatives. Total finance costs decreased by \$327 in Q4 2025 compared to Q4 2024 and decreased by \$337 in Fiscal 2025 compared to Fiscal 2024, as a result of the following:

- Total interest expense, which includes interest on borrowings and accretion of finance fees, decreased by \$5,668 in Fiscal 2025 compared to Fiscal 2024. The decrease was the result of lower prime-linked interest rates on borrowings and lower total borrowings, offset by an increase in accretion of lease liabilities of \$1,137 due to the addition of GEC® Kingsway lease agreement in Q4 2024.
- In Fiscal 2025, the Company recognized \$499 of non-cash debt modification gains associated with modifying debt agreements, compared to \$966 of debt modification gains in Fiscal 2024. These gains are subject to the terms associated with the underlying financial instruments and varies from period to period.

Net loss on fair value changes in investment properties

- In Fiscal 2025, the Company recognized \$17,282 of net loss on fair value changes in investment properties. This includes \$5,040 of fair value losses associated with the GEC® Viva and GEC® Kingsway right-of-use assets classified as an investment properties, \$5,803 of fair value losses associated with other revenue producing properties and \$6,439 of fair value losses associated with properties under development. See the section titled "Fourth Quarter and Full Year Highlights - Investment Property Fair Value" for further details.

Share of net gain associated with investment in joint venture

- In Fiscal 2025, the Company recognized \$6,491 of losses related to Investment in joint ventures mainly due to fair value changes to investment properties recognized by the jointly controlled partnerships. Investment in joint ventures are accounted for using the equity method, whereby its investment in the investee is initially recognized at cost, and the carrying value is increased or decreased to recognize the Company's share of the investee's profit of loss. The carrying amount of Investment in joint ventures was \$28,157 at August 31, 2025 compared to \$Nil at August 31, 2024. Summarized financial information of the joint ventures can be found in Note 6 of the Annual Financial Statements.

Income Taxes

During Fiscal 2025, income tax recovery of \$2,141 comprised of current tax expense of \$116 and deferred tax recovery of \$2,256. The deferred tax recovery was primarily the result of deferred income tax on fair value changes on investment properties.

QUARTERLY FINANCIAL REVIEW

The Company's selected financial information for the last eight completed fiscal quarters is as follows. Accounting policies under IFRS were consistently applied across all periods.

Continuing operations	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Total revenues	8,447	6,248	6,847	7,495	8,471	7,120	7,894	11,750
Net income (loss)	(26,055)	508	(1,561)	(5,095)	(25,325)	(2,842)	(2,676)	8,044
Adjusted EBITDA ⁽¹⁾	(3,889)	2,785	2,061	331	422	402	2,169	2,998
Net income (loss) to shareholders	(11,003)	(970)	228	(2,314)	(11,851)	(371)	(1,190)	12,980
Income (loss) per share: Basic and Diluted EPS	(0.19)	(0.00)	0.01	(0.03)	(0.03)	0.00	(0.02)	0.05

⁽¹⁾ See section titled "Non-IFRS financial measure" and section titled "EBITDA and Adjusted EBITDA" for reconciliation.

Total revenues consist of: (a) educational revenues; (b) rental revenues; (c) development fees; and (d) revenues from other lines of business. Net income (loss) fluctuates based on changes in margins across all operating segments, the timing of recognition of fair value gains (losses) on investment properties (which depend on operating performance, the real estate market, and the original purchase cost), the timing of recognition of development fees, and one-off gains or losses from corporate reorganizations, provisions for expected credit losses and impairments. Development fees have higher gross margins than other types of revenue. Net income (loss) attributable to the Company's shareholders varies depending on the net income (loss) in the quarter and the portion attributable to the Company's non-controlling interests.

The following additional factors have caused variation in results over the quarterly periods presented.

The Company's education business includes minor seasonality as revenue fluctuates with school terms.

Given the low rental vacancy rate in Vancouver, the Company's rental revenues are generally consistent throughout the year. Rental revenues generally increase as more GEC® rental units become available and are rented, which occurs when new properties are acquired or when the construction of a real estate project is completed and an occupancy permit issued, subject to a ramp-up period.

Development fees recognition is dependent on the status of real estate projects. Real estate projects involve development and construction timelines spanning several years and require substantial investment which is generally staged over several quarters as is the receipt by the Company of these development fees. Furthermore, backlogs at the various departments of the cities in which the Company has real estate projects are expected to impact the timing of real estate project status and thus the development fee recognition. Development fees in Fiscal 2025 were \$Nil, and Development fees in Fiscal 2024 were mainly derived from advancement of GEC® Langara.

Fourth Quarter 2025 Highlights

The following discusses the results for Q4 2025 compared to Q4 2024.

Educational revenues decreased to \$3,308 in Q4 2025 compared to \$4,348 in Q4 2024, a decrease of 24% due to the lower student enrollment from SSCC and CIBT as described under the section "Educational" above.

Rental revenues increased to \$4,411 in Q4 2025 compared to \$3,237 in Q4 2024, an increase of 36% primarily as a result of a full period of operations of GEC® Kingsway which began operations mid Q4 2024, and full period of operations of GEC® Viva which underwent major renovations during Q4 2024.

The Company recognized a net gain on divestment of SSCC of \$35,156 in Q4 2025. The sale has resulted in the derecognition of the related assets and liabilities of SSCC and has significantly improved the balance sheet strength of the Company. See Note 17 of the Annual Financial Statements for additional details.

Finance costs increased to \$3,103 in Q4 2025 compared to \$2,776 in Q4 2024 as a result of full period of lease accretion costs for GEC® Kingsway.

Net loss from changes in fair value of investment properties decreased to \$17,227 in Q4 2025 compared to \$24,801 in Q4 2024. See the section titled "Fourth Quarter Highlights - Investment Property Fair Value" for further details.

Share of net loss related to investment in joint venture of \$10,519 compared to \$Nil in Q4 2024 is mainly due to fair value changes investment properties recognized by the jointly controlled partnerships and the recognition of the Company's share of losses.

During Q4 2025, the Company completed the reorganization of GEC® EMC as described under section "Fourth Quarter and Full Year Highlights", resulting in the derecognition of associated net assets, and recognition of the fair value of Investment in joint ventures. The Company also acquired the beneficial interest of a \$7,750 secured loan payable by Pure GECC LP as described under the section "Transactions between related parties".

FINANCIAL CONDITION

The following table compares selected financial position information as at August 31, 2025 and August 31, 2024:

	August 31, 2025	August 31, 2024	\$ Change	% Change
Total current assets	\$ 26,621	\$ 24,214	\$ 2,407	10%
Investment properties	\$ 306,494	\$ 419,002	\$ (112,508)	(27)%
Development assets	\$ 869	\$ 869	\$ -	-
Other non-current assets	\$ 43,372	\$ 31,126	\$ 12,246	39%
Total assets	\$ 377,356	\$ 475,211	\$ (97,855)	(21)%
Total current liabilities	\$ 75,346	\$ 126,041	\$ (50,695)	(40)%
Total non-current liabilities	\$ 157,266	\$ 207,238	\$ (49,972)	(24)%
Total liabilities	\$ 232,612	\$ 333,279	\$ (100,667)	(30)%
Equity – CECC shareholders	\$ 47,958	\$ 25,208	\$ 22,750	90%
Non-controlling interests	\$ 96,786	\$ 116,724	\$ (19,938)	(17)%
Total equity	\$ 144,744	\$ 141,932	\$ 2,812	2%
Working capital deficit – see below	\$ (48,725)	\$ (101,827)	\$ 53,102	(52)%
Net debt⁽¹⁾	\$ 179,911	\$ 248,824	\$ (68,913)	(28)%

⁽¹⁾ Total borrowings less cash and cash equivalents.

Total assets decreased mainly due to completion of the SSCC divestment, GEC[®] Oakridge reorganization and GEC[®] EMC reorganization, which resulted in the derecognition of associated assets, offset by the recognition of Investments in joint ventures.

Similarly, total liabilities decreased mainly as a result of the derecognition of the carrying amounts of liabilities associated with SSCC, GEC[®] Oakridge and GEC[®] EMC.

LIQUIDITY AND CAPITAL RESOURCES

The Company is exposed to liquidity risk which is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due in the normal course of business. The principal liquidity needs of the Company are for working capital requirements, debt servicing and repayment obligations, and cost associated with expanding the real estate business. The Company manages its liquidity risk by monitoring its operating requirements, securing new loans, refinancing current loans on reasonable terms, and where necessary liquidating assets and reducing/delaying real estate project development costs. Cash and cash equivalents and restricted cash as at August 31, 2025 were \$ 3,299 and \$1,388, respectively (August 31, 2024 - \$ 2,132 and \$2,749). Management prepares budgets and cash forecasts to ensure that the Company has sufficient funds to fulfill its financial obligations.

At August 31, 2025 and 2024, the Company was in a working capital deficit position. The majority of the Company's assets are long-term in nature; however, there are significant current borrowings and deferred revenues that contribute to the working capital deficit position. Total working capital deficit decreased in the year ended August 31, 2025 from the year ended August 31, 2024.

Investment properties tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit the Company's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Company were required to liquidate a real property investment, the proceeds to the Company might be significantly less than the aggregate carrying value of such property.

The change in GECC's working capital deficit during Fiscal 2025 is predominantly driven by the divestment of SSCC which significantly improved the Company's cash position. The Company has a history of successfully raising capital financing and anticipates it will continue to seek to secure new equity or debt financings under reasonable terms and/or to refinance existing borrowings with debts of similar natures as needed; however, there is no assurance that such financing will be available on favourable terms or at all. The Company expects it will have sufficient capital resources to carry out expansion plans and support operations through Fiscal 2025 based on existing cash, cash expected to be generated from operations; successfully raise capital which it considers probable based on the history of refinancing of similar debts; and meet its obligations as they become due.

Contractual obligations

In the normal course of business, the Company enters into contracts that give rise to contractual obligations for future minimum payments. The following table summarizes the Company's remaining contractual undiscounted cash flows associated with the Company's financial liabilities and operating and capital commitments at August 31, 2025:

	Less than one year	2-3 years	4-5 years	Over 5 years	Total
<i>Financial Liabilities</i>					
Trade and other payables	\$ 14,745	\$ -	\$ -	\$ -	\$ 14,745
Secured loans ⁽¹⁾	52,216	17,810	48,685	89,320	208,031
Lease payments ⁽²⁾	7,011	14,078	6,765	2,754	30,608
2019, 2020, and 2024 Debentures	6,261	1,142	-	-	7,403
Other loans ⁽³⁾	3,581	6,363	183	127	10,254
Total Financial Liabilities and Commitments	\$ 83,814	\$ 39,393	\$ 55,633	\$ 92,201	\$ 271,041

⁽¹⁾ At August 31, 2025, Interest reserves of \$198 exist to offset future interest payments on certain borrowings (August 31, 2024 - \$2,389).

⁽²⁾ At August 31, 2025, Lease payments include \$22,437 recognized as Lease liabilities, estimated variable lease payments and short-term lease payments (August 31, 2024 - \$36,343).

⁽³⁾ Includes payments against Government loans, Loans payable, Bank credit facilities, and Bond payable.

As at August 31, 2025, LP11 had \$54,401 in capital expenditures contracted for but not recognized as liabilities. In accordance with the LP11 partnership agreement, partnerships controlled by the Company are responsible for 50% of capital contributions required for the development and construction of the GEC® Oakridge property.

Analysis of cash flows

The following table summarizes cash inflows and outflows for the periods shown. The Company's operations have been financed primarily through internal cash flow, third-party secured loans and other financing and contributions from non-controlling interests in limited partnerships controlled by the Company.

	Fiscal 2025	Fiscal 2024
Cash flows used in operating activities from continuing operations	\$ (4,048)	\$ (10,885)
Cash flows used in investing activities from continuing operations	(11,734)	(20,021)
Cash flows provided by (used in) financing activities from continuing operations	(17,320)	25,682
Cash flows provided by discontinued operations	34,270	3,958
Effects of exchange rate changes on cash and cash equivalents	(1)	6
Increase (decrease) in cash and cash equivalents	\$ 1,167	\$ (1,260)
Cash and cash equivalents, beginning of period	2,132	3,392
Cash and cash equivalents, end of period	\$ 3,299	\$ 2,132

Cash flows provided by (used in) operating activities vary from year to year as a result of the Company's operational performance, working capital requirements associated with its educational business and real estate projects.

Cash flows provided by (used in) investing activities vary depending on the nature of transactions during a period, in particular investments in real estate projects. During Fiscal 2025, the Company's controlled subsidiaries received \$4,971 in return of capital

associated with PCAP's investment in GEC® Oakridge, offset by \$1,772 of net investment in investment properties and \$7,403 of capitalized borrowing costs primarily associated with the GEC® Langara, GEC® Cyber City, and GEC EMC® and GEC® Oakridge prior to their reorganizations. During Fiscal 2025, the Company also received net cash proceeds from the divestment of SSCC of \$32,196. During Fiscal 2024, material cash flow transactions included the acquisition of GEC® Langara and the sale of GEC® Granville. Other cash flows used in investing activities include development costs associated with the GEC® VIVA, GEC® King Edward, GEC® Oakridge, GEC EMC®, GEC® Langara and GEC® Cyber City projects, and for cash paid for borrowing costs for these projects.

Cash flows provided by (used in) financing activities vary depending on the borrowing transactions, non-controlling interest contributions and distributions, and the Company's treasury share buyback activity. Note 27(b) to the Annual Financial Statements provides additional detail of the change in borrowings including cash and non-cash related items for Fiscal 2025 and Fiscal 2024. During Fiscal 2025, cash flows provided by financing activities decreased as a result of repayment of borrowings and higher payments from lease liabilities.

Outstanding share data

The authorized capital consists of 150,000,000 common shares without par value. As at the date of this report, the following common shares, stock options, and convertible debenture conversion options were outstanding:

	Number of shares	Exercise or conversion price	Remaining life (years)
Common shares	68,740,040	-	-
Stock options	4,050,000	\$0.22 - \$0.53	3.57
Convertible debentures ⁽¹⁾	3,466,771	\$0.36 - \$0.81	0.70
Fully diluted	76,256,811		

⁽¹⁾ Includes convertible debentures issued in May 2019 and September 2024. The conversion price for convertible debentures issued in May 2019 are denominated in HKD but presented in Canadian dollars.

Treasury shares

In August 2025, the Company received approval from the Toronto Stock Exchange to commence a new normal course issuer bid (the "2025 NCIB") to purchase up to 4,000,000 of the Company's previously issued common shares, subject to daily limits, from August 13, 2025 to August 12, 2026, to a maximum aggregate acquisition cost of approximately \$1,000. As of the date of this MD&A, the Company has repurchased and held in treasury 319,500 previously issued common shares at a cost of \$134 under the 2025 NCIB.

Financial Instruments and Financial Risk Management

A description of the Company's financial instruments and financial risks to which the Company is exposed to, and management of these risks can be found in Notes 22 and 23, respectively, to the Annual Financial Statements. In addition, information on the valuation and sensitivity analysis associated with investment properties is described in Note 5(b) to the Annual Financial Statements.

TRANSACTIONS BETWEEN RELATED PARTIES

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel and directors. Amounts paid to related parties were incurred in the normal course of operations and measured at the amount exchanged. Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole, which includes Toby Chu, its president and chief executive officer, Paul Harman, its chief financial officer, and fees paid to the Company's directors.

	Fiscal 2025		Fiscal 2024	
Management fees, salary, director's fees	\$	1,044	\$	1,347
Share-based payments		119		105
Total key management personnel compensation	\$	1,163	\$	1,452

The amounts due to related parties are presented below.

	<u>August 31, 2025</u>	<u>August 31, 2024</u>
Due to officers and directors of the Company ⁽¹⁾	\$ 1,913	\$ 229
Due to the president of IRIX ⁽²⁾	170	110
<u>Due to related parties</u>	<u>\$ 2,083</u>	<u>\$ 339</u>

⁽¹⁾ Amounts due are non-interest bearing and have no fixed terms of repayment.

⁽²⁾ Amounts due to related party has no fixed terms of repayment, bearing interest at a rate of 6% per annum.

At August 31, 2025, \$140 of the convertible debentures issued in 2024 are held by officers and directors of the Company (August 31, 2024 - \$140).

At August 2025, the Company reported a \$7,750 non-interest bearing, due on demand note receivable and a \$7,951 secured loan receivable from Pure GECC LP. The secured loan receivable was acquired by the Company in August 2025 from an arms-length third party for cash proceeds of \$7,750. The secured loan matures in March 2026 and bears a prime-linked interest rate of 15.5% as at August 31, 2025. During the year ended August 31, 2025, the Company recognized \$48 of interest income associated with the secured loan receivable in the consolidated statement of income (loss) and comprehensive income (loss).

NON-IFRS FINANCIAL MEASURES

Certain non-IFRS financial measures have been included in this MD&A. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, provide readers with an improved ability to evaluate its underlying performance. The non-IFRS financial measures do not have standardized meanings prescribed by IFRS and are therefore unlikely to be directly comparable to similar measurements presented by other issuers. These performance measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-IFRS measures should be read in conjunction with the Annual Financial Statements.

EBITDA and Adjusted EBITDA

Management uses EBITDA metrics to measure the profit trends of the business units and segments in the consolidated group since it eliminates the effects of financing decisions. Management also presents Adjusted EBITDA which is EBITDA adjusted to exclude: net gain (loss) recognized on fair value changes on investment properties under the fair value model, the provision for expected credit losses on development and other assets, the impairment of development assets, and the net gain or loss recognized on fair value changes in embedded derivatives associated with certain financial liabilities.

The following table reconciles these non-IFRS measures to the most directly comparable IFRS measure disclosed in the Annual Financial Statements, which is net income (loss).

<u>Continuing operations</u>	<u>Fiscal 2025</u>	<u>Fiscal 2024</u>
Net income (loss)	(32,203)	(22,799)
Deduct: interest income	(64)	-
Deduct: income tax recovery	(2,140)	(2,679)
Add: interest expense	13,304	14,780
Add: depreciation and amortization ⁽¹⁾	639	727
<u>EBITDA [non-IFRS]</u>	<u>(20,464)</u>	<u>(9,971)</u>
Add: loss on net changes in fair value of controlled investment properties	17,282	25,844
Add: loss on net changes in fair value of jointly controlled investment properties ⁽²⁾	4,523	-
Add: Loss on derecognition of goodwill	-	761
Deduct: gain from sale of property and equipment ⁽³⁾	-	(10,678)
Deduct (add): Gain (loss) on embedded derivatives, net ⁽⁴⁾	(53)	35
<u>Adjusted EBITDA [non-IFRS]</u>	<u>1,288</u>	<u>5,991</u>

⁽¹⁾ Includes amortization of agency fees which is a component of educational direct costs.

⁽²⁾ GECC's share of fair value changes in GEC[®] Oakridge and GEC[®] EMC.

⁽³⁾ Gain from sale of GEC[®] Granville.

⁽⁴⁾ Included in Finance costs within Note 19 to the Annual Financial Statements.

Gross profit and gross margin

Gross profit for the Company is the difference between revenue and direct cost of sales. Gross profit is a non-IFRS financial measure as the term and subtotal for gross profit does not appear on the face of the consolidated statements of loss and comprehensive loss.

Gross margin is a non-IFRS ratio and is calculated as gross profit divided by revenue, expressed as a percentage. Gross margin in total and for each operating segment is presented in this MD&A. Management uses Gross Profit and Gross Margin to assess how efficiently the Company generates profit from the sale of goods or services. The presentation of gross margin for each operating segment provides additional information as to the profitability of each business unit considering the Company's diversified nature of revenues. Note 29 to the Consolidated Financial Statements provides gross profit and revenue amounts for each business unit.

EVENTS AFTER THE REPORTING PERIOD

In November 2025, terms of the 2019 Debenture were amended to extend its maturity date to May 2027 and its conversion rights cancelled.

In September 2025, the Company exercised its rights under 2024 Debenture to extend the maturity date to September 2026.

In October 2025, the Company resolved a legal matter related to a construction deficiency at a property acquired by the Company. Under the terms of the settlement agreement, the counterparty agreed to pay the Company \$1,750.

ACCOUNTING MATTERS

BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The Annual Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. Note 28 of the Annual Financial Statements provides details of the Company's material accounting policies.

USE OF ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing the consolidated financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the amounts reported and disclosed in the consolidated financial statements and related notes. Key accounting estimates represent estimates that are uncertain, and for which changes in those estimates could materially impact the consolidated financial statements. Critical judgements in applying accounting policies and key sources of estimation uncertainty that may have the most significant effect on the Company are disclosed in Note 3 to the Annual Financial Statements.

ACCOUNTING STANDARDS DEVELOPMENT

There were new accounting standards which were adopted by the Company in the current fiscal year that did not have a material impact on the Company's Annual Financial Statements, which are disclosed in Note 4(a) to the Annual Financial Statements. Note 4(b) to the Annual Financial Statements includes information on these standards and interpretations issued that the Company reasonably expects to be applicable to the Company at a future date. The Company intends to adopt these standards when they become effective. The Company has not early adopted any other amendment, standard or interpretation that has been issued by the IASB but is not yet effective.

OFF-BALANCE SHEET ARRANGEMENTS

Various forms of security, in addition to a mortgage over lands, have been granted by the relevant limited partnership and by the Company and certain of its subsidiaries in favour of arm's length lenders in connection with the student housing projects. The security granted gives the lenders a comprehensive level of protection against a default by the borrower in the performance of its obligations including the repayment of the indebtedness and interest thereon.

PROPOSED TRANSACTIONS

The Company does not have any proposed transactions as at the date of this report other than as disclosed elsewhere in this document.

DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROLS OVER FINANCIAL REPORTING

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are those controls and procedures that are designed to ensure that the information required to be disclosed in the filings under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Administrators is recorded, processed, summarized and reported within the time periods specified. The Company carried out, under the supervision and with the participation of the Company's management, including the Company's chief executive officer ("CEO") and chief financial officer ("CFO"), an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on their evaluation, the Company's CEO and CFO concluded that, as of August 31, 2025 and the date of this Management's Discussion & Analysis, the disclosure controls and procedures were effective.

Report of Management on Internal Controls over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. With the participation of the Company's CEO and CFO, management conducted an evaluation of the effectiveness of our internal control over financial reporting as of August 31, 2025, based on the framework and criteria established in Internal Control – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

A material weakness is a significant deficiency, or combination of significant deficiencies, which result in more than a remote likelihood that a material misstatement of the annual or interim financial statements will occur and not be detected by management before the financial statements are published. Controls can potentially be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the control. The design of any system of controls also is based on part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. In its assessment of the effectiveness in internal control over financial reporting as of August 31, 2025, the Company determined that there were no material deficiencies in the Company's internal controls over financial reporting for Fiscal 2025.

Changes in Internal Control over Financial Reporting

There have been no changes during Fiscal 2025 to internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

RISKS RELATED TO THE COMPANY'S BUSINESS

The Company's business, financial condition, operating results, and prospects are subject to several risks and uncertainties which include but are not limited to those below as well as those specified elsewhere in this MD&A. A more detailed description of certain of the risks and uncertainties can be found under the heading "Risk Factors" in the Company's annual information form for Fiscal 2025 filed under the Company's profile on SEDAR+ at www.sedarplus.ca. See also above under "Forward-Looking Information."

- the performance of the real estate business depends on fluctuation of real estate prices
- risks related to real estate project developments generally include construction delays (due to factors including permit issuance, construction costs and construction labour market shortages) and rezoning process risk (due to delays in rezoning which may result from design changes and may result in substantial cost increases)
- the Company's dependence upon third parties in respect of the construction of its real estate projects and the financial stability of the parties involved
- lending sentiment by construction lenders may impact the cost of mortgage financing
- although the general partners of certain of the limited partnerships which own GEC® real estate projects are subsidiaries of the Company, they are required to act in good faith towards all of the limited partners which may result in decisions that are not beneficial to GECC
- the Company's ability to repay or refinance debt obligations and to fund committed capital expenditures will depend on certain financial, business and other factors and significant interest rate increases will affect financial performance
- the inability of any of the Company's limited partnerships to repay loans guaranteed by the Company or its subsidiaries could have a significant effect on the Company's financial performance
- increased competition in the sectors in which the Company has investments

- need for additional capital to complete acquisitions and expand operations and ability to manage planned growth and integrate new business opportunities into existing operations
- dependence on key personnel, the Company's facility providers and educational service providers
- ability to compete effectively with competitors that have greater financial, marketing, and other resources
- availability of government funded programs and increasing interest rates may impact student enrollment
- increases in the frequency and severity of extreme weather events, such as wildfires and snowstorms, could lead to supply chain interruptions
- risks involving the Chinese legal system, tax system, and foreign currency limitation
- the possibility that personal information that the Company collects may be vulnerable to breach, theft, or loss, which could subject the Company to liability or adversely affect its reputation and operations
- the Company stores significant amounts of information from various business activities on cloud servers which may be susceptible to cyber threats. There is also a heavy dependency on online digital platforms like websites and certain software critical to business operations. A cyber breach would bring significant impact and downtime to the Company's ability to offer its products and services.
- risks related to government regulations and obtaining required approvals
- government policy relating to rent control may affect rental income
- government policy relating to foreign investment may affect investor sentiment
- government policies relating to education that may affect international students from studying abroad
- Bank of Canada monetary policy may affect market interest rates
- compliance with rules and requirements applicable to public companies may cause the Company to incur increased costs
- imported construction materials may be subject cost increases due to changes in global trade policies