
HALMONT PROPERTIES
CORPORATION

**Nine Months Ended
September 30, 2025**

Forward-Looking Information

This report contains forward-looking information concerning the Company's business and operations. The words "expects", "believes", "continue", "intends", "objective", "likely", "estimates", and other expressions of similar import, or the negative variations thereof, and similar expressions of future or conditional verbs such as "can", "may", "will", "would", "should" or "could" are predictions of or indicate future events, trends or prospects and do not relate to historical matters or identify forward-looking information. Forward-looking information in this report includes, among others, differences related to equity accounted investments as a result of the implementation of IFRS as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards) the value of our investments, future income taxes, our ability to generate stable income returns and capital appreciation, fund cash requirements, finance our obligations, determine fair values, and other statements with respect to the Company's beliefs, outlooks, plans, expectations and intentions.

Although the Company believes that the anticipated future results or achievements expressed or implied by the forward-looking information and statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking information and statements because they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking information and statements.

Factors that could cause actual results to differ materially from those contemplated or implied by the forward-looking information include general economic conditions, the behavior of financial markets including fluctuations in interest and exchange rates, the availability of equity and debt financing and other risks and factors detailed from time to time in the Company's documents filed with the Canadian securities regulators.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking information to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as may be required by law, the Company undertakes no obligation to publicly update or revise any forward-looking information or statements, whether written or oral, that may result from new information, future events or otherwise.

Report to Shareholders

Net income for the nine months ended September 30, 2025, amounted to \$12.2 million, compared to \$10.3 million for the same period in 2024. While the quarter was quiet from a transactional perspective, our results reflect the full contribution from the investments completed during 2024.

Our commercial property portfolio, including 25 Dockside Drive and 2 Queen Street East, acquired in 2024, continues to perform in line with expectations and provide stable, growing cash flows. These institutional-quality assets now form the cornerstone of our real estate platform and are contributing to steady increases in both earnings and asset values.

Our forest properties, including our 59% effective equity interest, held primarily through participating preferred shares, in Haliburton Forest, continue to generate attractive returns and offer long-term optionality for growth. In addition, our 7% equity interest in Acadian Timber Corp. provides further exposure to high-quality forestry assets with consistent dividends and long-term value potential.

Capital management continues to guide our approach. We maintain a strong balance sheet and the flexibility to pursue new opportunities as market conditions evolve. As at September 30, 2025, the fully diluted book value of our common shares, assuming conversion of capital notes and convertible preferred shares, was 95¢ per share, an increase of 11.76% from 85¢ one year earlier.

At year-end, we will revalue our real estate and other investments in accordance with IFRS Accounting Standards. Should our shares trade at meaningful discounts to their book value for an extended period, we will consider repurchases under our normal course issuer bid as an effective means of enhancing long-term shareholder value.

Thank you for your continued interest and support.

On behalf of the board,



Heather M. Fitzpatrick
President & Chief Executive Officer

Management's Discussion and Analysis

BASIS OF PRESENTATION

This Management's Discussion and Analysis ("MD&A") of the results of operations and financial position of Halmont Properties Corporation (the "Company" or "Halmont") for the nine months ended September 30, 2025, includes material information up to November 26, 2025. The financial information has been prepared in accordance with the IAS 34, Interim Financial Reporting, and IFRS Accounting Standards as issued by the International Reporting Standards Board ("IASB"). All amounts are presented in thousands of Canadian dollars, unless otherwise noted. This MD&A should be read in conjunction with the unaudited consolidated financial statements of the Company and related notes as of September 30, 2025, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB").

OVERVIEW OF THE BUSINESS

Halmont invests directly and indirectly in three distinct property-related investment categories:

- Real estate: Commercial properties.
- Forest properties: Freehold timberlands and sawmill facilities.
- Financial assets: Medium-term property loans, limited partnership interests and marketable securities.

The capital invested in each of the three principal areas of business was as follows at the end of the third quarter:

<small>(THOUSANDS)</small>	<small>AS AT SEPT 30, 2025 AND DEC 31, 2024</small>			
	2025		2024	
Real Estate Operations				
— Commercial Properties	\$ 166,202	42%	\$ 165,164	40%
Forest Properties				
— Haliburton Forest	79,144	20%	74,530	18%
— Acadian Timber Corp	20,000	5%	20,000	5%
Financial Assets				
— Commercial property loans	52,102	13%	75,844	18%
— Residential property loans	17,505	4%	16,525	4%
— Other loans and marketable securities	18,313	5%	17,858	4%
— Corporate Investments	43,603	11%	41,848	10%
	\$ 396,869	100%	\$ 411,769	100%

REAL ESTATE OPERATIONS

Halmont's commercial properties represent approximately 42% of the Company's assets and include:

25 Dockside Drive, Toronto:	Acquired in April 2024, in partnership with George Brown College for approximately \$238.0 million. Each partner contributed \$40.0 million for a 50% initial equity interest, and subsequently secured a \$160.0 million mortgage loan. As at December 31, 2024, 25 Dockside Drive had an appraised value of approximately \$251.0 million. As at September 30, 2025, Halmont's investment was approximately \$47.8 million.
2 Queen Street East, Toronto:	Acquired in December 2024, in partnership with Toronto Metropolitan University and Brookfield Property Partners for approximately \$221.6 million. As a joint operator, Halmont recognizes its 37.5% share of the property's assets, liabilities, revenue and expenses. Halmont's share of the acquisition cost is approximately \$83.1 million.
22 College Street, Toronto:	Leased to the Toronto School of Management. As at December 31, 2024, the property had an appraised value of approximately \$21.2 million.
221 Yonge Street, Toronto:	Leased to a retail bank. As at December 31, 2024, the building had an appraised value of approximately \$7.6 million including \$2.7 million attributed to a long term land lease.
321 - 329 Lakeshore Road, Oakville:	Leased to retail and residential tenants. As at December 31, 2024, the property had an appraised value of approximately \$6.5 million.

Total commercial property lease income was \$4.4 million for the three months ended September 30, 2025, compared to \$1.4 million for the same period in the prior year. For the nine months ended September 30, 2025, lease income was \$13.1 million, compared to \$3.4 million in the prior year.

Total commercial property expenses for the three months ended September 30, 2025, were \$1.6 million, compared to \$0.2 million for the same period in the prior year. For the nine months ended September 30, 2025, commercial property expenses were \$4.7 million, compared to \$0.9 million in the prior year.

The increase in commercial property lease income and expenses is attributable to property acquisitions completed during 2024. Expenses include costs such as property maintenance, property management fees, insurance, real estate taxes, and other expenses associated with operating income-generating properties.

FOREST PROPERTIES

Halmont's forest properties represent approximately 25% of the Company's total assets and include investments in Haliburton Forest and Acadian Timber Corp.

Haliburton Forest

Halmont's investment in Haliburton Forest accounts for 20% of the Company's assets and comprises a 59% equity interest in the business. Haliburton Forest owns approximately 100,000 acres of predominantly hardwood freehold timberlands in Haliburton County, ON, and approximately 145,000 acres of predominantly softwood freehold timberlands near Timmins, ON. It also owns and operates five hardwood sawmills and holds a 50% partnership interest in a biochar production facility.

Halmont's objective is to earn attractive long-term returns through the appreciation in the value of Haliburton Forest's freehold timberlands. This appreciation is driven by inflationary pressures, and a diminishing supply of prime privately-owned recreational properties with attractive waterfront features, and sustainable forest management practices that enhance forest quality by selectively removing lower-value species to promote the growth of high-value trees.

In addition, Halmont aims to benefit from the development and monetization of carbon credits in both the voluntary and compliance markets.

Acadian Timber Corp.

Halmont's investment in Acadian Timber Corp. is held through a \$20.0 million convertible preferred share in Macer Forest Holdings Inc., which represents 5% of Halmont's total assets. The Macer preferred shares are exchangeable into a 7% equity interest in Acadian Timber Corp., which owns approximately 1,100,000 acres of freehold forest lands in New Brunswick and Maine. Accordingly, this investment provides Halmont with an indirect ownership interest in approximately 77,000 acres of freehold timberlands.

Acadian Timber Corp. owns and manages approximately 775,000 acres of freehold timberlands in New Brunswick and approximately 300,000 acres of freehold timberlands in Maine. It also provides forest management services related to approximately 1,300,000 acres of Crown timberlands in New Brunswick.

Acadian's products include softwood and hardwood sawlogs, pulpwood, and biomass. Acadian also generates revenue from long-term leases and the development of carbon credits for sale in the voluntary carbon credit markets.

Looking forward, consideration will be given to a strategic transaction between Haliburton Forest and Acadian Timber Corp. The attraction of such a transaction would include geographic and economic diversification of the companies' respective land holdings, along with synergies in forest management, timber marketing, carbon credit development, and property development.

Total income from forest properties for the three months ended September 30, 2025, was \$1.2 million compared to \$1.2 million for the same period in the prior year. Total income from forest properties for the nine months ended September 30, 2025, was \$3.6 million compared to \$3.1 million for the same period in the prior year.

FINANCIAL ASSETS

Halmont's property loans and other financial assets account for approximately 12% of the Company's total assets as at September 30, 2025 and are summarized as follows:

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024	2025	2024
Commercial property loans	\$ 52,102	\$ 75,844
Residential property loans	17,505	16,525
Other loans and marketable securities	15,184	17,594
	84,791	109,963
Corporate Investments	43,603	41,848
	\$ 128,394	\$ 151,811

Property Loans and Other Financial Assets

Total income from property loans and other financial assets for the three months ended September 30, 2025, was \$2.7 million compared to \$3.0 million for the same period in the prior year. For the nine months ended September 30, 2025, total income was \$6.0 million, compared to \$9.0 million in the prior year. This decrease primarily reflects loan repayments and lower prevailing interest rates.

The portfolio includes a mix of senior and subordinated mortgage loans, construction loans, limited partnership interests, and marketable securities, measured in accordance with IFRS 9 at amortized cost, fair value through profit or loss (FVTPL), or fair value through other comprehensive income (FVOCI), depending on contractual terms and business model.

A portion of the portfolio includes equity-accounted investments in residential development projects, such as Grandview and Paisley in Huntsville, Ontario, which continue to progress toward build-out. In addition, the Company holds limited partnership interests in two industrial storage property funds managed by Forum MakeSpace Inc., which own and develop self-storage facilities across Canada.

Halmont's lending strategy emphasizes flexibility, credit discipline, and capital preservation. The Company provides project and construction financing secured by high-quality real estate assets, selectively offers subordinate loans with profit participation features, and seeks third-party underwriting through entities with substantial financial capacity for its higher-risk exposures.

Corporate Investments

Halmont's corporate investments, totaling \$43.6 million, represent approximately 11% of the Company's total assets. These investments are held through a subsidiary and are financed with \$27.9 million of subordinated preferred shares that have no recourse to Halmont's other assets. As a result, Halmont's net effective investment in these corporate investments is \$15.7 million, or approximately 4.0% of total assets. Total equity accounted income for corporate investments for the three months ended September 30, 2025, was \$0.6 million compared to \$0.7 million for the same period in the prior year. For the nine months ended September 30, 2025, equity accounted income was \$1.8 million, compared to \$2.2 million in the prior year.

These investments are accounted for using the equity method, whereby investments are initially recorded at cost and subsequently adjusted for the Company's contractual share of income and distributions. Halmont's objective is to hold these investments while they provide income and strategic business relationships that support its core operation in real estate and forest assets.

SUMMARY FINANCIAL INFORMATION

The following table summarizes selected annual consolidated information:

(THOUSANDS, EXCEPT PER SHARE AMOUNTS)	NINE MONTHS ENDED SEPT 30		YEAR ENDED DEC 31			
	2025	2024	2024	2023	2022	2021
Total assets	\$ 396,869	\$ 320,815	\$ 411,769	\$ 253,572	\$ 224,032	\$ 265,821
Total revenue	24,897	20,959	32,026	27,973	19,514	13,492
Net income	12,254	10,346	18,399	18,490	10,670	7,252
Comprehensive income	13,265	12,440	20,715	18,602	10,425	7,656
Comprehensive income to shareholders	12,445	11,432	19,375	17,369	9,572	7,103
- Per share diluted	4.85 ¢	5.02 ¢	12.52 ¢	12.69 ¢	6.68 ¢	4.85 ¢
- Per share basic	5.82 ¢	6.61 ¢	9.17 ¢	9.28 ¢	5.28 ¢	3.44 ¢

CONSOLIDATED OPERATING RESULTS

For the nine months ended September 30, 2025, the Company reported a net income of \$12.2 million, compared to \$10.3 million for the same period in 2024.

Halmont's financial results have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards, as issued by the International Accounting Standards Board (IASB). Inter-company transactions and balances have been eliminated on consolidation.

The following table summarizes selected consolidated financial information for the eight most recently completed quarters:

(THOUSANDS, EXCEPT PER SHARE AMOUNTS)	2025			2024			2023	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Total revenue	\$ 8,161	\$ 8,192	\$ 8,544	\$ 11,067	\$ 6,412	\$ 5,777	\$ 8,770	\$ 14,983
Net income	4,082	4,210	4,962	6,948	3,609	3,417	4,425	8,299
Comprehensive income	4,861	4,493	4,911	8,275	4,573	2,520	5,347	10,738
Comprehensive income to shareholders	4,587	4,222	4,636	7,943	4,251	2,160	5,021	10,711
- Per share diluted	1.61 ¢	1.59 ¢	1.65 ¢	5.92 ¢	2.34 ¢	1.29 ¢	2.97 ¢	8.29 ¢
- Per share basic	1.94 ¢	1.88 ¢	2.00 ¢	4.14 ¢	1.77 ¢	1.07 ¢	2.19 ¢	5.58 ¢

Halmont's quarterly results for the past eight quarters have been influenced by a variety of factors, including acquisitions and dispositions, the economic performance of its commercial property portfolio, the timing and scale of development expenditures project completions, fluctuations in interest rates, and changes in the fair values of investment properties and financial assets.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2025, the Company's borrowings consisted of:

- \$25.0 million in secured loans (December 31, 2024 - \$25.0 million),
- \$22.5 million in a mortgage payable (December 31, 2024 - \$25.0 million),
- \$49.3 million from an affiliate (December 31, 2024 - \$75.2 million), and
- \$25.0 million in senior debentures (December 31, 2024 - \$25.0 million).

The Company's undrawn available credit totaled \$100.7 million as at September 30, 2025 (December 31, 2024 - \$84.7 million).

EXPENSES

Total interest expense for the three months ended September 30, 2025, was \$1.4 million, compared to \$2.2 million for the same period in the prior year. For the nine months ended September 30, 2025, total interest expense was \$4.5 million, compared to \$5.4 million for the same period in 2024. Of the \$4.5 million in total interest expense for the nine months ended September 30, 2025, \$2.8 million relates to the affiliate facility, with the balance attributable to secured loans, senior debenture, and the vendor take-back mortgage.

FAIR VALUE SUMMARY

Fair value adjustments recognized for the period ended September 30 are summarized as follows:

(THOUSANDS) (NINE MONTHS ENDED SEPT 30)	2025	2024
Gain on sale of commercial properties	\$ -	\$ 4,250
Commercial properties	(212)	(204)
Property loans and other	668	(930)
Total fair value adjustments	\$ 456	\$ 3,116

EQUITY BASE

On December 31, 2024, the Company redeemed its Series I convertible preferred shares by issuing 30.7 million subordinate-voting common shares. As at September 30, 2025, Halmont's issued and outstanding common share capital consisted of:

- 83.9 million multiple-voting common shares, and
- 70.8 million subordinate-voting common shares.

The multiple-voting common shares are listed for trading on the TSX Venture Exchange under the symbol HMT.V.

On December 31, 2024, the Company issued \$50.0 million Series II preferred shares, which are convertible into 50.0 million subordinate-voting common shares.

On December 31, 2021, the Company issued \$25.0 million subordinated capital notes, which are convertible into 31.2 million subordinate-voting common shares.

The following table summarizes the Company's outstanding share capital as at September 30, 2025, including potential issuances upon the conversion of preferred shares and capital notes:

(THOUSANDS)		Number of shares	Subscribed Value
Issued and Outstanding:			
– Multiple - voting common shares	#	83,940	\$ 81,385
– Subordinate - voting common shares		70,769	68,615
		154,709	150,000
Issuance of Subordinate- voting common shares on conversion of:			
– Series II subordinated capital notes		31,250	25,000
– Series II preferred shares		50,000	50,000
Fully diluted Multiple and Subordinated voting common shares	#	235,959	\$ 225,000

REVIEW OF THE INTERIM FINANCIAL STATEMENTS

A description of the principal risks to which the Company is exposed is described in the notes to the financial statements accompanying this MD&A.

Related party transactions are conducted in the normal course of business and are recorded at agreed-upon exchange amounts between the parties.

The accompanying unaudited consolidated financial statements for the nine months ended September 30, 2025, have been prepared by, and are the responsibility of, the Company's management.

Additional information is available on SEDAR+ at www.sedarplus.ca, or may be obtained upon request from the Secretary of the Company at 181 Bay Street, Suite IN200, Toronto, ON, M5J 2T3.

November 26, 2025

Consolidated Balance Sheet

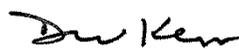
(unaudited)
(THOUSANDS)

AS AT SEPT. 30, 2025 AND DEC. 31, 2024	Note	2025	2024
ASSETS			
Cash		\$ 3,129	\$ 264
Commercial properties	4	166,202	165,164
Forest properties	5	99,144	94,530
Property loans and other	6	84,791	109,963
Corporate investments	7	43,603	41,848
Total Assets		\$ 396,869	\$ 411,769
LIABILITIES AND EQUITY			
Amounts payable and other	8	\$ 5,432	\$ 7,315
Loans payable	9	72,500	72,500
Due to affiliates	10	49,317	75,261
Deferred taxes		15,396	13,307
		142,645	168,383
Equity			
Non-controlling shareholders' interest	12(a)	27,869	27,049
Subordinated convertible capital notes	12(b)	25,000	25,000
Common and convertible preferred equity	12(c)	201,355	191,337
Total equity		254,224	243,386
Total Liabilities and Equity		\$ 396,869	\$ 411,769

Approved by the Board on November 26, 2025, and signed on its behalf by:



Heather M. Fitzpatrick
President



David W. Kerr
Chairman

Consolidated Statement of Net and Comprehensive Income

(unaudited)		Three Months Ended		Nine Months Ended	
(THOUSANDS, EXCEPT PER SHARE AMOUNTS)		2025	2024	2025	2024
	Note				
REVENUE AND OTHER INCOME					
Commercial properties	4	\$ 4,594	\$ 1,422	\$ 13,120	\$ 3,454
Forest properties	5	1,239	1,218	3,614	3,140
Property loans and other	6	1,812	3,047	5,951	9,025
Corporate investments	7	588	727	1,756	2,223
Fair value changes	11	(72)	(2)	456	3,116
		8,161	6,412	24,897	20,958
EXPENSES AND OTHER COSTS					
Commercial properties		\$ 1,615	\$ 246	\$ 4,706	\$ 855
Interest		1,396	2,161	4,548	5,350
General and administrative		207	268	504	400
Income taxes		861	128	2,885	4,008
		4,079	2,803	12,643	10,613
NET INCOME		\$ 4,082	\$ 3,609	\$ 12,254	\$ 10,345
Other comprehensive income		779	964	1,011	2,094
COMPREHENSIVE INCOME		\$ 4,861	\$ 4,573	\$ 13,265	\$ 12,439
Attributable to:					
Shareholders					
Net income		\$ 3,808	\$ 3,287	\$ 11,434	\$ 9,337
Other comprehensive income		779	964	1,011	2,094
Comprehensive income		4,587	4,251	12,445	11,431
Non-controlling interest					
Net income		\$ 274	\$ 322	\$ 820	\$ 1,008
COMPREHENSIVE INCOME		\$ 4,861	\$ 4,573	\$ 13,265	\$ 12,439
Net income per common share:					
Basic	13	1.94 ¢	2.34 ¢	5.82 ¢	6.61 ¢
Diluted	13	1.61	1.77	4.85	5.02

Consolidated Statement of Changes in Equity

(unaudited) FOR THE INTERM PERIOD SEPT. 30, 2025 (THOUSANDS)	Common and Convertible Preferred Shares	Retained Earnings	Accumulated Other Comprehensive Income	Total Equity Attributable to Shareholders of the Company	Non-Controlling Interests	Subordinated Convertible Capital Notes	Total Equity
Balance, December 31, 2024	\$ 108,460	\$ 78,771	\$ 4,106	\$ 191,337	\$ 27,049	\$ 25,000	\$ 243,386
Other comprehensive income	-	-	1,357	1,357	-	-	1,357
Capital notes interest	-	(750)	-	(750)	-	-	(750)
Preferred share dividends	-	(1,875)	-	(1,875)	-	-	(1,875)
Tax	-	198	(346)	(148)	-	-	(148)
Net income	-	11,434	-	11,434	820	-	12,254
Balance, September 30, 2025	\$ 108,460	\$ 87,778	\$ 5,117	\$ 201,355	\$ 27,869	\$ 25,000	\$ 254,224

(audited) FOR THE YEAR ENDED DEC. 31, 2024 (THOUSANDS)	Common and Convertible Preferred Shares	Retained Earnings	Accumulated Other Comprehensive Income	Total Equity Attributable to Shareholders of the Company	Non-Controlling Interests	Subordinated Convertible Capital Notes	Total Equity
Balance, December 31, 2023	\$ 58,460	\$ 63,247	\$ 1,790	\$ 123,497	\$ 23,829	\$ 25,000	\$ 172,326
Issuance of preferred shares	50,000	-	-	50,000	2,720	-	52,720
Conversion of preferred shares	(20,000)	-	-	(20,000)	-	-	(20,000)
Issuance of common shares	20,000	-	-	20,000	-	-	20,000
Other comprehensive income	-	-	2,664	2,664	-	-	2,664
Capital notes interest	-	(1,000)	-	(1,000)	-	-	(1,000)
Dividends - subsidiary	-	-	-	-	(840)	-	(840)
Preferred share dividends	-	(800)	-	(800)	-	-	(800)
Tax	-	265	(348)	(83)	-	-	(83)
Net income	-	17,059	-	17,059	1,340	-	18,399
Balance, December 31, 2024	\$ 108,460	\$ 78,771	\$ 4,106	\$ 191,337	\$ 27,049	\$ 25,000	\$ 243,386

Consolidated Statement of Cash Flows

(unaudited)
(THOUSANDS)

FOR THE NINE MONTHS ENDED SEPT. 30

2025

2024

OPERATING

Net income	\$	12,254	\$	10,345
Items not involving cash:				
Equity accounted income		(1,756)		(2,223)
Fair value adjustments		(456)		(3,116)
Fair value adjustments on forest properties		(3,614)		(3,140)
Deferred and current taxes		2,885		4,008
Changes in non-cash working capital and other		(4,728)		(3,291)
		4,585		2,583

FINANCING

Due to affiliates		(29,342)		46,003
Non-controlling interest		820		1,878
Preferred share dividends		(1,875)		(600)
Capital notes interest		(750)		(750)
		(31,147)		46,531

INVESTING

Forest properties investment		(1,000)		(21,750)
Residential and industrial properties, investment		14,611		(12,162)
Commercial property investments		-		9,976
Commercial property dispositions		-		(35,000)
Joint venture distributions		1,200		-
Property loan advances		(1,969)		(14,693)
Property loan repayments		16,849		24,788
		29,691		(48,841)

Net cash flow, end of period	\$	3,129	\$	273
-------------------------------------	----	--------------	----	-----

Notes to the Consolidated Financial Statements

1. CORPORATE INFORMATION

Halmont Properties Corporation (“Halmont”, or the “Company”) is incorporated and domiciled in Canada. The Company invests in real estate properties, forest properties and financial loans. The Company is listed on the TSX Venture Exchange (the “Exchange”) under the symbol HMT.V. The Company’s registered office is located at 181 Bay Street, Suite IN 200, Toronto, Ontario, M5J 2T3.

2. MATERIAL ACCOUNTING POLICY INFORMATION

a) Statement of Compliance

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (“IASB”). These consolidated financial statements were authorized for issuance by the Company’s Board of Directors on November 26, 2025.

b) Basis of Presentation

Unless otherwise noted, all amounts are presented in thousands of Canadian dollars. The Company presents its Consolidated Balance Sheet on a liquidity basis.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

(i) The consolidated financial statements include the accounts of the Company and its consolidated subsidiaries, which are the entities over which the Company has control. Control exists when the Company is able to exercise power over the investee, with the ability to use its power over the investee to affect the amount of its returns. Non-controlling interests in the equity of the Company’s subsidiaries are included in the equity.

(ii) A joint venture is a joint arrangement where the parties that have joint control have rights to the net assets of the arrangement, in accordance with IFRS 11 - Joint Arrangements. The Company accounts for joint ventures using the equity method of accounting under IAS 28 - Investments in Associates and Joint Ventures. The Company’s joint-venture and limited-partnership interests are presented within the consolidated statement of financial position according to their nature:

- Commercial joint-venture LPs are included within Commercial Properties;
- Residential joint-venture LPs are included within Property Loans and Other (accounts receivable).

Changes in the fair value of joint venture investments classified as financial assets at fair value through profit or loss (FVTPL) are recognized in the consolidated statement of income in the period in which they arise, in accordance with IFRS 9 - Financial Instruments.

(iii) A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement, in accordance with IFRS 11 - Joint Arrangements. This typically arises from direct interests in the assets and liabilities of an investee rather than through the establishment of a separate legal entity. The partnership recognizes its proportionate share of the joint operation’s assets, liabilities, revenues, and expenses in accordance with its interest in the arrangement. If the joint operation includes financial instruments, their classification and measurement follow IFRS 9 - Financial Instruments, with changes in fair value recognized in accordance with the standard’s requirements.

(iv) Corporate investments are entities which the Company has significant influence over the financial and operating policies. These investments are accounted for using the equity method, whereby the investment is initially recognized at cost and adjusted for the Company’s share of net income and distributions. These investments are subject to shareholder agreements which determine the realizable value of the Company’s investment on ultimate disposition.

c) Commercial Properties

The Company’s commercial properties are classified as investment properties in accordance with IAS 40 – Investment Property. These properties are recognized and measured at fair value, with changes in fair value recorded in the consolidated statements of comprehensive income at year end. Land leases are revalued on a quarterly basis. Gains or losses on the sale of a commercial property are recognized in profit or loss upon the completion of the sale. Valuations for fair value are derived from independent appraisals by qualified professionals, or a combination of internal valuations and external appraisals conducted on a rotational basis. Valuation methodologies include either the discounted cash flow approach, which is based on future cash flows, or the direct capitalization approach, which analyzes the relationship of current projected stabilized net operating income to total property value.

The Company also holds interests in commercial properties through a joint operation and a joint venture. For the joint operation, the Company recognizes its proportionate share of assets, liabilities, revenues, and expenses directly in the consolidated financial statements. For the joint venture, the Company accounts for its investment using the equity method, recognizing its share of net income or loss in the consolidated statements of comprehensive income.

d) Financial Instruments

The Company's financial assets and liabilities are classified and measured in accordance with IFRS 9 – Financial Instruments, based on the Company's business model for managing financial instruments and the contractual characteristics of the related cash flows.

Financial assets are initially recognized at fair value and subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). Classification is determined by the Company's intention and ability to hold the instrument to collect contractual cash flows and whether those cash flows represent solely payments of principal and interest ("SPPI").

The Company's financial assets are classified as follows:

- Cash and cash equivalents – amortized cost.
- Property loans and other receivables – amortized cost/FVTPL/FVOCI/equity method (residential investment – IAS 28)

The Company holds limited partnership and joint-venture interests that are presented within Property Loans and Other in accounts receivable on the consolidated statement of financial position. These include:

- Forum MakeSpace LPs, industrial storage property funds measured at FVTPL in accordance with IFRS 9, as the Company does not have control or significant influence; and
- Grandview Estates LP, a residential development project accounted for using the equity method under IAS 28 – Investments in Associates and Joint Ventures.

Changes in fair value and distributions received from FVTPL investments are recognized in the consolidated statement of net and comprehensive income in the period in which they arise.

The Company's financial liabilities are initially recognized at fair value and subsequently measured at amortized cost, unless they are designated at FVTPL. The Company's financial liabilities include amounts payable and other, loans payable, due to affiliates.

Financial assets measured at amortized cost are subject to an expected credit loss (ECL) model. The Company recognizes a loss allowance equal to 12-month ECLs for instruments with no significant increase in credit risk since initial recognition and lifetime ECLs for those that have experienced a significant increase in credit risk.

e) Revenue Recognition

The Company earns revenue primarily from the leasing of its commercial properties, income from property loans and other receivables, distributions from partnership interests, and the sale of real estate.

The Company leases its investment properties to tenants under arrangements that do not transfer control of the underlying assets to the lessee. Accordingly, the leases are classified as operating leases in accordance with IFRS 16 – Leases. Rental income from operating leases is recognized on a straight-line basis over the term of the lease, including rent-free periods, tenant inducements, and stepped rents. The difference between the rental income recognized and the contractual rent received is recorded as a straight-line rent receivable. Rental income also includes recoveries of operating costs such as property taxes, utilities, and other reimbursable expenses, which are recognized on an accrual basis as services are rendered and in accordance with the terms of the tenant leases.

Interest income from property loans and other receivables is recognized on an accrual basis, and dividend income from investments is recognized on the ex-dividend date, when the Company's right to receive payment is established.

Gains or losses on the sale of real estate are recognized in profit or loss on the date control of the property transfers to the purchaser and when collection of the proceeds is reasonably assured.

f) Income Taxes

Income tax assets and liabilities are measured at the amount expected to be paid to tax authorities, net of recoveries, based on the tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred income tax liabilities are provided for using the liability method on temporary differences between the tax bases and carrying amounts of assets and liabilities. Deferred income tax assets are recognized for all temporary deductible differences and for the carry forward of tax credits, and unused tax losses only to the extent that it is probable that deductions, tax credits, and tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date to determine whether recoverable. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, or the liability settled, based on the tax rates and laws enacted or substantively enacted at the balance sheet date.

g) Use of Estimates, Judgments, and Assumptions

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the carrying amounts of certain assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses recorded during the period. Actual results could differ from those estimates.

In making estimates and judgments, management relies on external information and observable conditions where possible, supplemented by internal analysis as required. These estimates and judgments have been applied in a manner consistent with prior periods, and there are no known trends, commitments, events, or uncertainties that the Company believes will materially affect the methodology or assumptions utilized in making these estimates and judgments in these financial statements.

The estimates and judgments used in determining the recorded amount for assets and liabilities in the financial statements include the following:

- (i) **Commercial Properties**
The critical judgments and estimates used when determining the fair value of commercial properties relate to identifying comparable property sales, estimates of expected future cash flows, and the applicable discount rates and terminal capitalization rates used in the discounted cash flow model.
- (ii) **Degree of Influence**
When determining the appropriate basis of accounting for the Company's corporate investments, the Company uses the following critical judgments and assumptions: the degree of power or influence that the Company exerts; the amount of potential voting rights which provide the Company or unrelated parties voting powers; the terms of the shareholder or other contractual agreements; the ability to appoint directors; and the amount of benefit that the Company receives relative to other investors.

Other critical estimates in preparing the Company's financial statements include the assessment of net recoverable amount for receivables, estimation of tax provision, and the ability to utilize tax losses in the normal course.

3. RISK MANAGEMENT

The Company is exposed to the following risks due to holding financial instruments: market risk (i.e., including interest rate risk, currency risk, and other price risks that impact the fair value of financial instruments); credit risk; and liquidity risk. There have been no changes in the Company's objectives, policies, and processes for managing and measuring risk since the previous year. The following is a description of these risks and how they are managed.

a) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments held by the Company will fluctuate because of changes in market prices. Market risk includes the risk of changes in interest rates, currency exchange rates, and changes in market prices due to factors other than interest rates or currency exchange rates such as equity prices, commodity prices, or credit spreads.

The observable impacts on the fair values and future cash flows of financial instruments that can be directly attributable to interest rate risk include changes in the net income from financial instruments whose cash flows are determined with reference to floating interest rates and changes in the fair value of financial instruments whose cash flows are fixed in nature. Financial instruments that are exposed to market value risk include property loans receivable, due to affiliates, and other loans payable.

The Company has no foreign currency risk.

b) Credit Risk

The Company is subject to credit risk arising from the possibility that tenants are unable to fulfill their lease obligations. The Company mitigates this risk by attempting to maintain a diversified tenant-mix and limiting exposure to any single tenant.

The Company also has credit risk that arises on loans and other receivables in the event that the borrower defaults on the repayment to the Company. The Company mitigates this risk by attempting to ensure that adequate security has been provided in support of such loans and receivables. In the event of a large market correction, and the fair market value of the underlying asset may be unable to support the loan value, the Company mitigates this risk by obtaining corporate guarantees and/or registered mortgage charges and assignment of leases, performing credit checks on potential borrowers, monitoring the financial and operating performance of borrowers, construction and leasing status on the development projects, timing of rent commencement on leases, and monitoring the status of scheduled principal and interest payments.

Credit risk from tenant receivables arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments, resulting in the Company incurring a financial loss. This is managed through a diversified tenant group and revenue sources, ensuring no individual tenant contributes to a significant portion of revenues.

As at September 30, 2025, all loans and receivables were current and not past due. Management has assessed the credit risk and determined that no further impairment is necessary based on the financial condition of counterparties, historical collection experience, and collateral arrangements where applicable.

c) Liquidity Risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund an obligation as it comes due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price. The primary source of liquidity consists of cash and financial assets, net of amounts payable and other liabilities, and undrawn committed credit facilities.

4. COMMERCIAL PROPERTIES

As at September 30, 2025, the Company held ownership interests in five commercial properties, comprising a 50% joint venture interest in a commercial property held through a limited partnership, a 37.5% joint operation interest in another commercial property, and three income-producing properties held through 100% direct ownership.

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024		Effective Ownership Interest	2025	2024
25 Dockside Drive, Toronto	Joint Venture	50.0%	\$ 47,848	\$ 46,598
2 Queen Street East, Toronto	Joint Operation	37.5%	83,104	83,104
22 College Street, Toronto	Direct	100.0%	21,191	21,191
221 Yonge Street, Toronto	Direct	100.0%	7,559	7,771
321-329 Lakeshore Road, Oakville	Direct	100.0%	6,500	6,500
			\$ 166,202	\$ 165,164

Joint Venture Ownership

The Company holds a 50% joint venture ownership interest in HGBC 25 Dockside Limited Partnership, a limited partnership that owns and operates 25 Dockside Drive. The investment is accounted for using the equity method, in accordance with IAS 28 – Investments in Associates and Joint Ventures.

As at September 30, 2025, the carrying value of the Company’s investment in the joint venture was \$47.8 million (December 31, 2024 – \$46.6 million), and the Company recognized \$2.5 million as its share of income from the joint venture, which is included in commercial properties revenue in the consolidated statement of net and comprehensive income. During the nine months ended September 30, 2025, the Company received cash distributions of \$1.2 million from the joint venture.

The joint venture operates independently and provides audited financial statements annually to support the Company’s equity method accounting. As at September 30, 2025, there were no material commitments or contingent liabilities related to the joint venture.

Joint Operations Ownership

The Company holds a 37.5% interest in 2 Queen Street East, which is a jointly controlled commercial property classified as a joint operation under IFRS 11- Joint Arrangements, as the parties to the agreement have rights to the assets and obligations for the liabilities relating to the property.

The Company recognizes its 37.5% proportionate share of the joint operation’s assets, liabilities, revenues, and expenses on a line-by-line basis in the consolidated financial statements.

Under the terms of the co-ownership agreement, the Company is responsible for a \$22.5 million vendor take-back mortgage which bears interest at 4.00% per annum and matures in December 2029.

Directly Held Ownership

Revenue from the Company's commercial properties is composed of approximately 60% base rent and 40% recoveries of operating costs, including common area maintenance and property taxes. Future minimum lease payments under non-cancellable operating leases are as follows: 2025 - \$2.0 million, 2026 - \$2.0 million, 2027 - \$2.0 million, 2028 - \$2.0 million, thereafter \$4.4 million.

Lease income from operating leases totalled \$12.7 million (December 31, 2024 - \$3.3 million), including \$2.5 million (December 31, 2024 - \$1.3 million) of variable lease income that is not based on an index or rate.

The Company's commercial properties are measured at fair value annually at the Company's year-end, in accordance with IFRS 13 – Fair Value Measurement, with changes in fair value recognized in the consolidated statement of net and comprehensive income. Valuations reflect current market conditions, highest and best use, and are classified as Level 3 within the fair value hierarchy due to the use of unobservable inputs.

5. FOREST PROPERTIES

The Company's forest property investments include a 59% equity interest in Haliburton Forest, held through common and participating preferred shares, and a \$20.0 million preferred share investment in Macer Forest Holdings Inc., which owns a 50% interest in Acadian Timber Corp. The Company's preferred share investment in Macer Forest Holdings Inc. is convertible into a 7% equity interest in Acadian Timber Corp.

During the year, the Company made an additional investment of \$1 million (December 31, 2024 – \$21.8 million) Haliburton participating preferred shares and accrued for \$3.6 million (December 31, 2024 – \$4.3 million) in forest properties income.

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024	Ownership Interest	Effective Acreage Interest	2025	2024
Haliburton Forest				
- Haliburton	59%	60	\$ 79,144	\$ 74,530
- Timmins		85		
Macer Forest				
- Acadian Timber Corp.	7%	77	20,000	20,000
		222	\$ 99,144	\$ 94,530

6. PROPERTY LOANS AND OTHER

The Company's property loans and other assets were as follows:

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024	2025	2024
Commercial property loans	\$ 52,102	\$ 75,844
Residential property loans	17,505	16,525
Other loans and marketable securities	15,184	17,594
	\$ 84,791	\$ 109,963

Property loans and investments are underwritten by an affiliated entity to enhance their credit quality. The portfolio includes a mix of senior and subordinated mortgage loans, construction loans, limited partnership interests, and marketable securities. Investments over which the Company has significant influence are accounted for using the equity method in accordance with IAS 28. All other assets are recorded under IFRS 9 at either amortized cost or fair value, depending on their contractual terms.

Interest and other income earned for the period ended September 30, 2025 totalled approximately \$ 1.8 million (December 31, 2024 – \$ 4.6 million).

7. CORPORATE INVESTMENTS

The Company holds, directly and indirectly, investment interests in corporations involved in real estate and related infrastructure activities, including equity-accounted investments totalling \$43.6 million (December 31, 2024 - \$41.8 million). After deducting non-controlling interests of \$27.9 million (December 31, 2024 - \$27.0 million), the Company's net investment is \$15.7 million (December 31, 2024 - \$14.8 million).

(THOUSANDS)		2025		2024	
AS AT SEPT 30, 2025 AND DEC 31, 2024					
Balance, beginning of year	\$	41,847	\$	38,947	
Equity accounted income		1,756		2,901	
Balance, end of period		43,603		41,848	

8. AMOUNTS PAYABLE AND OTHER

As at September 30, 2025, amounts payable and other liabilities totaled \$5.4 million (December 31, 2024 - \$7.3 million), including \$2.6 million (December 31, 2024 - \$2.8 million) related to a land lease liability associated with a commercial property. The corresponding right-of-use asset is recorded within commercial properties on the consolidated balance sheet.

9. LOANS PAYABLE

As at September 30, 2025, and December 31, 2024, the Company's loans payable are as follows:

(THOUSANDS)				2025		2024	
AS AT SEPT 30, 2025 AND DEC 31, 2024		Maturity Date	Interest Rate	Interest Payments			
Mortgage payable	December 2, 2029	4.00%	Annually	\$	22,500	\$	22,500
Secured loans	January 1, 2027	prime + 0.5%	Quarterly		15,000		15,000
	January 1, 2027	4.00%	Quarterly		10,000		10,000
Senior debentures	December 31, 2028	4.50%	Annually		25,000		25,000
				\$	72,500	\$	72,500

As at the reporting date, no amounts were past due.

10. DUE TO AFFILIATES

The Company has established a \$150.0 million credit facility (December 31, 2024 - \$150.0 million) with an affiliate. The facility bears interest at the prime rate plus 0.5%, is unsecured, and is repayable on ten days' written notice at any time after December 31, 2027. As at September 30, 2025, the outstanding balance under the facility was \$49.3 million (December 31, 2024 - \$75.2 million). Interest paid during the period totaled \$2.8 million (December 31, 2024 - \$4.4 million). As at the reporting date, no amounts were past due.

11. FAIR VALUE CHANGES

Fair value changes are comprised of the following:

(THOUSANDS)		2025		2024	
FOR THE NINE MONTHS ENDED SEPT 30					
Real estate					
Commercial properties		\$	(212)	\$	4,046
Financial assets					
Property loans and other			669		(930)
		\$	456	\$	3,116

12. EQUITY

a) Non-controlling Interests

Non-controlling interests include preferred shares and a 33% common share equity interest held by other shareholders in a subsidiary that holds the Company's corporate investments.

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024	2025		2024	
Preferred shares	\$	12,720	\$	12,720
Common shares		15,149		14,329
	\$	27,869	\$	27,049

b) Convertible Capital Notes

On December 31, 2021, the Company issued \$25.0 million of subordinated convertible capital notes. These notes bear interest at 4.00% per annum, payable annually, with the interest rate reset every five years commencing December 31, 2026. The notes are convertible into 31.25 million subordinate voting common shares of the Company.

The capital notes mature on December 31, 2081, and are redeemable by the Company after December 31, 2026, at a price equal to 100% of the principal amount of the note, plus accrued and unpaid interest to the redemption date. In the event of non-payment of interest or principal when due, the capital notes are convertible at the Company's discretion into subordinate voting common shares.

c) Common and Convertible Preferred Equity

The Company's common and preferred equity is comprised as follows:

(THOUSANDS) AS AT SEPT 30, 2025 AND DEC 31, 2024	2025		2024	
Series II convertible preferred shares	\$	50,000	\$	50,000
Multiple voting & subordinate voting common shares		151,353		141,337
	\$	201,353	\$	191,337

On December 31, 2024, the Company redeemed its Series I convertible preferred shares through the issuance of 30.7 million subordinate-voting common shares, and issued \$50.0 million of Series II convertible preferred shares.

The Series II convertible preferred shares bear a 5.00% annual cumulative dividend and are convertible into 50.0 million subordinate-voting common shares at any time on or before December 31, 2034.

As at September 30, 2025, the Company had 83.9 million multiple voting common shares (December 31, 2024 – 83.9 million) each carrying five votes per share, 70.8 million subordinate voting common shares (December 31, 2024 – 70.8 million) each carrying one vote per share, and \$50.0 million convertible preferred shares (December 31, 2024 – \$50.0 million). The Company is authorized to issue an unlimited number of preferred and common shares, with no stated par value.

d) Normal Course Issuer Bid

In February 2025, the TSX Venture Exchange accepted notice to renew a Normal Course Issuer Bid (NCIB), permitting the Company to purchase, between March 4, 2025 and March 3, 2026, 4,642,598 multiple voting common shares. Shareholders may obtain a copy of the NCIB notice, without charge, by contacting the Company.

13. BASIC AND DILUTED EARNINGS PER COMMON SHARE

The components of basic and diluted earnings per share are summarized in the following table:

(CAD\$ THOUSANDS, EXCEPT PER SHARE AMOUNTS) FOR THE NINE MONTHS ENDED SEPT 30	2025	2024
Adjusted net income available to common shareholders - basic	\$ 9,007	\$ 8,186
Weighted average number of common shares issued	154,709	123,940
Basic net income per common share	5.82¢	6.61¢
Net income attributable to common shareholders - diluted	\$ 11,432	\$ 9,338
Weighted average number of common shares issued plus dilution	235,959	185,959
Diluted net income per common share	4.85¢	5.02¢

Adjusted earnings per share for the nine months ended September 30, 2025, reflect the after-tax addback of interest on the convertible capital notes.

The calculation of adjusted diluted earnings per share for the nine months ended September 30, 2025, include the effect of 50.0 million subordinate voting common shares issuable upon conversion of the series II convertible preferred shares, and 31.25 million subordinate voting common shares issuable upon conversion of the subordinated convertible capital notes.

14. OTHER INFORMATION

a) Related Party Transactions

Related parties include the Company's subsidiaries, associates, joint ventures, and key management personnel-individuals who have the authority and responsibility for planning, directing, and controlling the Company's activities. The Company's directors provide oversight of the business but do not directly plan, or direct, or control its day-to-day operations.

Related party transactions with corporate investees occur in the normal course of operations and are recorded at the exchange amounts agreed to between the parties.

The Company holds investments in Brookfield Corporation, Brookfield Asset Management Ltd., Acadian Timber Corp., and Haliburton Forest.

b) Segmented Information

IFRS 8 requires operating segments to be determined based on the internal reports that are regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purpose of allocating resources and assessing performance. The Company's operating activities are organized into three reportable segments (i) Real Estate, (ii) Forest Properties, and (iii) Financial Assets. These segments are independently managed and regularly reviewed by the Chief Executive Officer, who is considered the Company's CODM.

The following summarizes the total revenue of each of the Company's operating segments.

(CAD\$ THOUSANDS) FOR THE NINE MONTHS ENDED SEPT 30	2025	2024
Real estate	\$ 13,120	\$ 3,454
Forest properties	3,614	3,140
Financial assets	8,163	14,365
	\$ 24,897	\$ 20,959

c) Financial Instruments

The carrying amounts of financial instruments approximate fair value. Fair value measurement uses Level 1, Level 2, or Level 3 inputs depending on the instrument; for items measured at amortized cost, carrying value approximates fair value.

The fair value of receivables is estimated using the present value of future cash flows, discounted at current market interest rates for financial instruments with similar terms and maturities. The fair value of the Company's investment in forest properties is determined based on the prescribed value set out in the applicable contractual agreements.

The following table presents the contractual maturities of the Company's financial liabilities as at September 30, 2025:

(CAD\$ THOUSANDS)	1 to 3 Years	4 to 5 Years	Thereafter	Total
Accounts payable and other	\$ 5,434	\$ -	\$ -	\$ 5,434
Mortgage payable	-	22,500	-	22,500
Due to affiliates	49,317	-	-	49,317
Loans payable	25,000	25,000	-	50,000
	\$ 79,761	\$ 47,500	\$ -	\$ 127,261

d) Capital Management

As at September 30, 2025, the Company's permanent capital available to support its operations, totaled \$254.2 million (December 31, 2024 - \$243.3 million), comprising \$201.3 million (December 31, 2024 - \$191.3 million) attributable to the Company's shareholders, \$27.9 million (December 31, 2024 - \$27.0 million) attributable to non-controlling interests, and \$25.0 million (December 31, 2024 - \$25.0 million) attributable to subordinated capital note holders.

The Company's objectives when managing its capital is to maintain a level of capitalization that support its operations and provides the flexibility to pursue investment opportunities as they arise. The Company was in compliance with all covenants and other material capital requirements as at the reporting date, and its approach to capital management was unchanged during the quarter.

15. FINANCIAL PRESENTATION

The prior year's financial information has been reclassified to conform with the current year's presentation.

The Company reclassified residential and industrial properties from a distinct line item to 'Property Loans and Other' on the balance sheet. This change better reflects the financial statement's structure and presentation objectives. Comparative information has been adjusted accordingly.

HALMONT PROPERTIES **CORPORATION**

DIRECTORS

Claude A. Doughty

Huntsville, ON

Heather M. Fitzpatrick

Toronto, ON

Randal L. Froebelius

Toronto, ON

M. Diane Horton

Toronto, ON

David W. Kerr

Toronto, ON

Timothy R. Price

Toronto, ON

Head Office

181 Bay Street, Suite IN200

Toronto, ON

M5J 2T3

Telephone: 647.448.7147

Website: www.halmontproperties.ca

OFFICERS

David W. Kerr

Chairman

Heather M. Fitzpatrick

President & CEO

Randal L. Froebelius

Property Management

Ines N. Zaloshnja

Chief Financial Officer

Anthony E. Rubin

Secretary & Treasurer

Exchange

TSX Venture Exchange

TSXV: HMT

Register and Transfer Agent

TMX Equity Transfer Services Ltd.

200 University Avenue, Suite 300

Toronto, ON M5H 4H1

HALMONT PROPERTIES
CORPORATION

181 Bay Street, Suite IN200
Toronto, ON
M5J 2T3

(HMT.V)