PARKIT ENTERPRISE INC

PARKIT ENTERPRISE INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed consolidated interim financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

AS AT	**June 30, 2026**	**December 31, 2025**
ASSETS		
Investment properties (note 3)	$ 228,713,475	$ 231,690,637
Parking properties (note 4)	11,441,694	11,568,504
Investments at fair value (note 5)	55,775,405	45,723,415
Investment in equity-accounted investees (note 6)	6,245,427	8,472,716
Prepaid expenses and other assets (note 7)	3,541,936	4,939,254
Accounts receivable (note 8)	4,831,425	3,744,962
Cash	5,381,025	5,382,290
	$ 315,930,387	**$ 311,521,778**
LIABILITIES AND EQUITY		
Liabilities		
Debt (note 9)	$ 142,618,182	$ 140,129,676
Unrealized fair value of derivative liabilities (note 10)	521,998	371,877
Accounts payable and other liabilities (note 11)	6,984,599	6,620,898
	150,124,779	**147,122,451**
Equity (note 12)		
Share capital	153,219,677	157,514,080
Contributed surplus	5,236,651	5,236,651
Retained earnings	7,349,280	1,648,596
	165,805,608	**164,399,327**
	$ 315,930,387	**$ 311,521,778**

Commitments (note 6)

Approved and authorized by the Board on August 6, 2026:

“Steven Scott” Director   *“Iqbal Khan”* Director

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Investment properties revenue	$ 6,034,008	$ 7,750,540	$ 11,937,434	$ 14,871,681
Investment properties expenses	(1,651,393)	(2,487,027)	(3,412,382)	(4,722,132)
Net rental income (note 3)	**4,382,615**	**5,263,513**	**8,525,052**	**10,149,549**
Parking properties revenue	1,078,637	1,209,801	2,076,071	2,348,524
Parking properties expenses	(1,173,559)	(1,192,205)	(2,318,680)	(2,347,592)
Share of income (loss) from equity-accounted investees (note 6)	30,067	(7,420,782)	(77,289)	(7,600,819)
Net parking and equity-accounted loss	**(64,855)**	**(7,403,186)**	**(319,898)**	**(7,599,887)**
Other income (loss)				
Gain on disposition (note 3)	-	24,804,916	-	24,804,916
Investment income (note 5)	831,760	241,935	1,623,142	241,935
Unrealized gain (loss) on investments at fair value (note 5)	6,093,973	(258,065)	4,143,140	(258,065)
Realized and unrealized (loss) gain on derivative financial instruments (note 10)	(419,381)	905,656	(150,121)	270,502
	6,506,352	**25,694,442**	**5,616,161**	**25,059,288**
Other expenses				
General and administrative expenses and other income (note 13)	654,425	465,603	1,332,457	1,139,284
Depreciation (note 3, 4)	1,713,182	2,386,474	3,422,462	4,777,947
Finance costs (note 14)	1,899,002	2,543,366	3,785,158	5,053,193
	4,266,609	**5,395,443**	**8,540,077**	**10,970,424**
Income before tax	**6,557,503**	**18,159,326**	**5,281,238**	**16,638,526**
Income tax expense	(204,930)	-	(314,933)	-
NET INCOME AND COMPREHENSIVE INCOME FOR THE PERIOD	**$ 6,352,573**	**$ 18,159,326**	**$ 4,966,305**	**$ 16,638,526**
Net income per share attributable to shareholders of the Company(note 12):				
Basic	$ 0.46	$ 1.24	$ 0.35	$ 1.13
Diluted	$ 0.46	$ 1.24	$ 0.35	$ 1.13
Weighted average number of common shares outstanding (note 12):				
Basic	13,916,813	14,612,951	14,050,326	14,715,621
Diluted	13,923,117	14,612,951	14,058,089	14,715,621

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

		For the six months ended June 30, 2026		For the six months ended June 30, 2025
OPERATING ACTIVITIES				
Net income for the period	$	4,966,305	$	16,638,526
Items not affecting cash:				
Share of loss from equity-accounted investees (note 6)		77,289		7,600,819
Unrealized foreign exchange		144,075		(246,219)
Unrealized change in fair value of derivative financial instruments (note 10)		150,121		(1,041,502)
Unrealized (gain) loss on fair value of investments (note 5)		(4,143,140)		258,065
Depreciation (note 3, 4)		3,422,462		4,777,947
Gain on disposition (note 3)		-		(24,804,916)
Finance costs (note 14)		3,785,158		5,053,193
Changes in non-cash working capital items:				
Accounts receivable		(1,066,592)		(41,976)
Prepaid expenses and other assets		1,397,318		(799,250)
Accounts payable and other liabilities		1,096,061		1,256,602
Cash flows from operating activities		**9,829,057**		**8,651,289**
INVESTING ACTIVITIES				
Acquisition of investment properties and building improvements (note 3)		(967,325)		(12,479,266)
Acquisition of investments at fair value (note 5)		(5,908,850)		(36,838,711)
Proceeds from disposition of investment properties, net of transaction costs (note 3)		-		91,550,535
Distribution from equity-accounted investees (note 6)		2,150,000		-
Cash flows (used in) from investing activities		**(4,726,175)**		**42,232,558**
FINANCING ACTIVITIES				
Proceeds from debt (note 9)		10,187,186		14,531,659
Payment of debt costs (note 9)		(79,104)		(323,736)
Repayment of debt (note 9)		(7,985,897)		(51,455,760)
Interest paid		(3,676,855)		(5,347,348)
Share buybacks (note 12)		(3,560,024)		(2,627,686)
Cash flows used in financing activities		**(5,114,694)**		**(45,222,871)**
Change in cash during the period		(11,812)		5,660,976
Effect of foreign exchange rate changes on cash		10,547		(13,313)
Cash, beginning of period		5,382,290		5,476,859
CASH, END OF PERIOD	**$**	**5,381,025**	**$**	**11,124,522**

Supplemental information with respect to cash flows (note 17)

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

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital								
	Number		**Amount**		**Contributed surplus**		**(Deficit) Retained Earnings**		**Total**
Balance, December 31, 2024	**14,874,095**	**$**	**164,765,050**	**$**	**5,031,280**	**$**	**(25,977,295)**	**$**	**143,819,035**
Purchase and cancellation of common shares under NCIB (note 12)	(367,979)		(4,077,593)		-		1,449,907		(2,627,686)
Net income for the period	-		-		-		16,638,526		16,638,526
Balance, June 30, 2025	**14,506,116**	**$**	**160,687,457**	**$**	**5,031,280**	**$**	**(7,888,862)**	**$**	**157,829,875**
Purchase and cancellation of common shares under NCIB (note 12)	(286,379)		(3,173,377)		-		656,863		(2,516,514)
Share-based compensation (note 12)	-		-		205,371		-		205,371
Net income for the period	-		-		-		8,880,595		8,880,595
Balance, December 31, 2025	**14,219,737**	**$**	**157,514,080**	**$**	**5,236,651**	**$**	**1,648,596**	**$**	**164,399,327**
Purchase and cancellation of common shares under NCIB (note 12)	(387,546)		(4,294,403)		-		734,379		(3,560,024)
Net income for the period	-		-		-		4,966,305		4,966,305
Balance, June 30, 2026	**13,832,191**	**$**	**153,219,677**	**$**	**5,236,651**	**$**	**7,349,280**	**$**	**165,805,608**

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

1. NATURE OF OPERATIONS

Parkit Enterprise Inc. ("Parkit" or the "Company") is incorporated under the laws of the Province of Ontario, the Company's head office and principal address is 100 Canadian Road, Toronto, Ontario, Canada, M1R 4Z5. Parkit's common shares are listed on TSX Venture Exchange ("TSX-V") (Symbol: PKT).

Parkit is a real estate investment platform focused on the acquisition, growth and management of strategically located investment properties across key urban markets in Canada. The Company, through its subsidiary Greenswitch America, Inc. holds investments in parking real estate in the United States of America.

2. BASIS OF PRESENTATION

Basis of preparation and statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company's most recent fiscal year-end consolidated financial statement and should be read in conjunction with the Company's consolidated financial statements as of December 31, 2025, which were prepared in accordance with IFRS as issued by the IASB. The accounting policies set out in note 3 of the Company's audited financial statements as at December 31, 2025 have been applied in preparing these condensed interim consolidated financial statements.

Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements in accordance with IFRS requires that the Company's management make assumptions and estimates of effects of various future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Estimates are reviewed on an ongoing basis using historical experience and other factors that are considered relevant given the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Actual results may materially differ from these estimates.

A full list of the key sources of estimation uncertainty can be found in the Company's audited consolidated financial statements as of December 31, 2025.

(Expressed in Canadian Dollars)

3. INVESTMENT PROPERTIES

The following table provides a continuity of total investment properties for the six months ended June 30, 2026.

		June 30, 2026		December 31, 2025
Balance at beginning of year	$	231,690,637	$	296,809,161
Additions:				
Direct acquisitions		-		21,000,000
Building improvements		318,490		3,579,906
Transaction costs and land transfer taxes		-		496,397
Total additions to investment properties		**318,490**		**25,076,303**
Disposition of investment properties		-		(82,112,756)
Changes included in net income:				
Depreciation		(3,295,652)		(8,082,071)
Balance at end of period (i) (ii)	**$**	**228,713,475**	**$**	**231,690,637**

i. At June 30, 2026 and December 31, 2025, certain investment properties are held as security for debt (note 9).
ii. See note 18 for additional disclosure on the estimated fair value of the investment properties.

Investment properties

Investment properties include properties that are held for long-term rental yields, capital appreciation or both, and that is not occupied by the Company. Investment properties also include property that is being constructed or developed for future use as an investment property.

The Company elected the cost model for measurement for its investment properties, where the investment properties are stated at cost less accumulated depreciation and accumulated impairment loss.

Investment properties acquisitions

The Company elected to use the optional concentration test under IFRS 3 for the acquisition of the investment properties and concluded that they constitute an acquisition of assets as substantially all of the fair value was concentrated in a single asset.

The Company did not make any property acquisitions for the six months ended June 30, 2026.

The Company's investment property acquisitions for the year ended December 31, 2025, are detailed below.

		Purchase price	Date acquired
1650 Blvd Lionel Bertrand, Boisbriand, Quebec (i)	$	10,250,000	February 6, 2025
16630 114th Avenue NW, Edmonton, Alberta		10,750,000	August 6, 2025
Total direct acquisition of investment properties	**$**	**21,000,000**	

i. This property was acquired from a non-arm's length vendor. See note 15 for additional details.

(Expressed in Canadian Dollars)

3. INVESTMENT PROPERTIES (continued)

Investment properties dispositions

The Company did not make any investment property dispositions for the six months ended June 30, 2026.

The Company's investment property dispositions for the year ended December 31, 2025, are detailed below.

		Proceeds from disposition	Date of disposition
961-975 Sherwin Rd, Winnipeg, Manitoba	$	12,000,000	June 26, 2025
310 De Baets St, Winnipeg, Manitoba		14,500,000	June 26, 2025
1725 Inkster Blvd, Winnipeg, Manitoba		34,200,000	June 26, 2025
2030 Notre Dame Ave, Winnipeg, Manitoba		15,400,000	June 26, 2025
90-120 Paramount Rd, Winnipeg, Manitoba		4,400,000	June 26, 2025
1345 Redwood Ave, Winnipeg, Manitoba		16,000,000	June 26, 2025
568 Second St, London, Ontario (note 6, 15)		12,900,000	November 18, 2025
555 Camiel Sys St, Winnipeg, Manitoba		5,350,000	December 17, 2025
Total disposition of investment properties	**$**	**114,750,000**	

Consideration for the dispositions for the year ended December 31, 2025 totaled $114,750,000, which was satisfied by cash consideration of $62,935,000, a note receivable of $3,225,000 (note 7), $42,140,000 in Trust and LP units based on a stated value of $6.20 per unit (note 5), and partnership units of $6,450,000 in 760 Second Street GP (note 6). The disposition of investment properties resulted in a gain of $26,765,848 for the year ended December 31, 2025.

The details of investment properties revenue, expenses, and net rental income between retained and disposed properties are summarized below:

	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Investment properties retained	Investment properties disposed	Total	Investment properties retained	Investment properties disposed	Total
Investment properties revenue	$ 6,034,008	$ -	$ 6,034,008	$ 5,274,415	$ 2,476,125	$ 7,750,540
Investment properties expenses	(1,651,393)	-	(1,651,393)	(1,662,512)	(824,515)	(2,487,027)
Net rental income	**$ 4,382,615**	**$ -**	**$ 4,382,615**	**$ 3,611,903**	**$ 1,651,610**	**$ 5,263,513**

	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Investment properties retained	Investment properties disposed	Total	Investment properties retained	Investment properties disposed	Total
Investment properties revenue	$ 11,937,434	$ -	$ 11,937,434	$ 10,273,484	$ 4,598,197	$ 14,871,681
Investment properties expenses	(3,412,382)	-	(3,412,382)	(3,022,720)	(1,699,412)	(4,722,132)
Net rental income	**$ 8,525,052**	**$ -**	**$ 8,525,052**	**$ 7,250,764**	**$ 2,898,785**	**$ 10,149,549**

(Expressed in Canadian Dollars)

4. PARKING PROPERTIES

Parking properties include assets that are used in the ordinary course of business relating to parking operations.

The Company elected to use the optional concentration test under IFRS 3 to the acquisition of these assets and concluded that they constitute an acquisition of assets as substantially all of the fair value was concentrated in a single asset. The total acquisition cost, inclusive of transaction costs, was allocated to parking properties.

The following table provides a continuity of total parking properties for the six months ended June 30, 2026 and the year ended on December 31, 2025.

		June 30, 2026		December 31, 2025
Balance at beginning of year	**$**	**11,568,504**	**$**	**11,822,096**
Changes included in net income:				
Depreciation		(126,810)		(253,592)
Total changes included in net income		**(126,810)**		**(253,592)**
Balance at end of period	**$**	**11,441,694**	**$**	**11,568,504**

5. INVESTMENTS AT FAIR VALUE

As part of the disposition of investment properties as outlined in note 3 during the year ended December 31, 2025, the Company obtained shares as consideration and have recorded these financial assets at fair value.

	Number of units		Unit price		June 30, 2026
PRO Real Estate Investment Trust – Trust units	5,236,405	$	7.05	$	36,916,655
PRO Real Estate Investment Trust – Class B LP units	2,675,000		7.05		18,858,750
Balance at end of period	**7,911,405**	**$**	**7.05**	**$**	**55,775,405**

PRO Real Estate Investment Trust ("PROREIT") is an unincorporated open-ended real estate investment trust which owns a portfolio of high-quality industrial properties in Canada. The trust units of PROREIT trade on the Toronto Stock Exchange (the "TSX"). For the six months ended June 30, 2026, the Company had purchased an additional 930,731 trust units, with an average price of $6.35 per unit.

	PROREIT Trust units		PROREIT Trust value	PROREIT Class B LP units		PROREIT Class B LP value
Balance at beginning of year	-	$	-	-	$	-
Additions	4,305,674		24,862,520	2,675,000		15,274,250
Changes in fair value	-		3,339,645	-		2,247,000
Balance December 31, 2025	**4,305,674**	$	**28,202,165**	**2,675,000**	**$**	**17,521,250**
Additions	930,731	$	5,908,850	-	$	-
Changes in fair value	-		2,805,640	-		1,337,500
Balance June 30, 2026	**5,236,405**	**$**	**36,916,655**	**2,675,000**	**$**	**18,858,750**

The Class B LP Unit of PROREIT is exchangeable for a trust unit and is attached to a special voting unit of PROREIT providing for a voting right in PROREIT. As of June 30, 2026, both units pay a monthly distribution of $0.0375.

During the three and six months ended June 30, 2026, the Company has recognized investment income of $831,760 and $1,623,142 from the units (three and six months ended June 30, 2025 - $241,935 and $241,935).

(Expressed in Canadian Dollars)

5. INVESTMENTS AT FAIR VALUE (continued)

During the three and six months ended June 30, 2026, an unrealized fair value gain through profit and loss of $6,093,973 and $4,143,140 due to changes in fair market value (three and six months ended June 30, 2025 - an unrealized loss of $258,065 and $258,065).

Concurrent with the acquisition of the trust units and Class B LP units, PROREIT and Parkit have entered into an investor rights agreement providing for, among other things, pre-emptive rights for the purchase of trust units on a PROREIT offering, registration rights for the sale of the trust units (including Class B LP Units exchanged for Trust Units), the exercised right to nominate one trustee to PROREIT's board of trustees, and certain lock-up and standstill provisions.

The PROREIT units are pledged as security for debt as of June 30, 2026 (note 9).

6. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES

The Company has two investments in equity-accounted investees, Parking Acquisition Ventures, LLC ("PAVe LLC") and 760 Second Street Partnership ("760 Second St GP").

		June 30, 2026		December 31, 2025
Investment in equity-accounted investee – PAVe LLC	$	3,585,160	$	3,663,149
Investment in equity-accounted investee – 760 Second St GP		2,660,267		4,809,567
Balance at end of period	**$**	**6,245,427**	**$**	**8,472,716**

The Company's share of income (loss) from equity-accounted investees are summarized as follows:

		For the three months ended June 30, 2026		For the three months ended June 30, 2025		For the six months ended June 30, 2026		For the six months ended June 30, 2025
Share of operations from PAVe LLC	$	29,197	$	186,579	$	(77,989)	$	6,542
Share of operations from 760 Second St GP		870		-		700		-
Impairment of investment in joint venture		-		(5,677,289)		-		(5,677,289)
Impairment of long-term receivable		-		(1,309,728)		-		(1,309,728)
Impairment from investment in associate		-		(620,344)		-		(620,344)
Share of gain (loss) from equity-accounted investees	**$**	**30,067**	**$**	**(7,420,782)**	**$**	**(77,289)**	**$**	**(7,600,819)**

Investment in equity-accounted investees

The carrying amounts of the Company's investment in equity-accounted investees are as follows:

PAVe LLC		June 30, 2026		December 31, 2025
Balance at beginning of the year	$	3,663,149	$	9,098,355
Share of loss from PAVe LLC		(77,989)		(5,435,206)
Balance at end of period	**$**	**3,585,160**	**$**	**3,663,149**

(Expressed in Canadian Dollars)

6. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES (continued)

Investment in equity-accounted investees (continued)

760 Second St GP		June 30, 2026		December 31, 2025
Balance at beginning of the year	$	4,809,567	$	-
Contribution		-		4,810,113
Share of gain (loss) from 760 Second St GP		700		(546)
Distributions		(2,150,000)		-
Balance at end of period	**$**	**2,660,267**	**$**	**4,809,567**

The Company uses the equity method for accounting for its equity-accounted investees. The significant equity-accounted investees of the Company are as follows:

Name of equity-accounted investees	Place of incorporation	Percentage membership interest June 30, 2026	Principal activity	Functional currency
PAVe LLC/ PAVe Admin LLC (i)	Delaware, USA	50%	Member/Manager of Parking Acquisition Ventures LLC	USD
760 Second St GP (ii) (iii)	Ontario, Canada	50%	Residential property development	CAD

i. In April 2015, the Company's subsidiary, Greenswitch America Inc. and Parking Real Estate, LLC ("PRE"), jointly created separate legal entities, Parking Acquisition Ventures, LLC ("PAVe LLC") and PAVe Admin, LLC ("PAVe Admin") to manage and oversee the parking assets of OP Holdings JV, LLC ("OP Holdings"), as an administrator. OP Holdings holds a portfolio of U.S. based parking facilities. PAVe Admin is an entity created for legal purposes and consolidates PAVe LLC under IFRS. PAVe LLC has different class of membership units, and the entitlements to distributions from these investments are different among each class of PAVe LLC. The Company has an effective 24.39% (December 31, 2025 – 24.39%) equity interest in OP Holdings through its ownership in PAVe LLC. The Company accounts for its investment as an investment in associate.

ii. In November 2025, Parkit contributed the land and building at 568 Second Street to the newly formed investment, 760 Second St GP, at $12,900,000 and redeemed 50% of its interest to two new partners for proceeds of $3,225,000 and a note receivable of $3,225,000 (note 7). The remaining 50% interest is held equally by Decade Capital Corporation ("Decade") and Southside Construction Management Limited ("Southside"). The Development Manager is Decade, who manages the daily operations. 760 Second St GP requires a 75% voting threshold that must be met for any binding resolutions, including budgets, financing and capital allocation matters. For this reason, despite the Company retaining a 50% interest in the GP, it is classified as a significant influence equity accounted investment in associate, as the Company requires agreement from one of the other partners for approval of relevant decisions.

   Parkit holds a 50% (December 31, 2025 – 50%) interest in the 760 Second St GP, which is accounted for using the equity method as an investment in an associate over which the Company has significant influence.

iii. The transaction is recognized as a related party transaction. See note 15 for additional disclosures.

(Expressed in Canadian Dollars)

6. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES (continued)

Commitments

Pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, the Company has a commitment to contribute up to 5% of any capital call made by the OP Holdings joint venture. Capital calls will be made for the purpose of acquiring new parking real estate assets as jointly agreed by the members, and at other times as the joint venture may require working capital. OP Holdings is not in compliance with its borrowing covenants as of June 30, 2026, and is in the process of receiving a waiver (OP Holdings was in compliance as of December 31, 2025). No capital call has been made and no provision has been accrued by the Company with respect to this commitment (December 31, 2025 – $Nil).

As at June 30, 2026, the 760 Second St GP has received a construction loan facility with CMLS Financial for up to $92,860,086, secured by a first-ranking mortgage on the development, and insured by the Canada Mortgage and Housing Corporation ("CMHC"), to finance the construction of the development in London, Ontario. As at June 30, 2026, the 760 Second St GP has drawn $15,899,085 on the facility. The loan pays interest only during the construction term, to July 20, 2028, and bears interest at the Royal Bank of Canada prime rate less 45 bps. Following construction of the development, the construction financing shall be refinanced with a term facility for a term of five years with a 40 year amortization, and shall bear interest at the 5 year Canadian mortgage bond rate plus a spread to be determined by the lender at the time to a maximum of 3.65%, subject to certain debt service requirements. The loan is guaranteed by Parkit, Decade Capital and Southside. The participation rights in the 760 Second St GP are represented by partnership units, with all distributions and returns dependent on the GP's performance. Certain decisions require unanimous consent of the partners, and the sale or transfer of partnership interests is subject to restrictions under the 760 Second Street Partnership Agreement.

Summarized financial information of equity accounted investees

The assets and liabilities of the equity-accounted investee translated into Canadian dollars are summarized as follows:

PAVe LLC		June 30, 2026		December 31, 2025
Assets				
Interest in associate	$	14,861,136	$	14,428,284
		14,861,136		**14,428,284**
Liabilities		-		-
Net assets of PAVe LLC	**$**	**14,861,136**	**$**	**14,428,284**
Net assets attributable to the Company (i)	**$**	**12,341,488**	**$**	**11,981,820**
Investment in PAVe LLC	**$**	**3,585,160**	**$**	**3,663,149**

i. The PAVe LLC has different classes of membership units, and the entitlements to voting and distributions are different among each membership class. Under the equity method, on initial recognition the investment in the equity-accounted investee is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Company is entitled to income (losses) on the investments included in the equity-accounted investees based on the membership agreement and waterfall calculations for each equity-accounted investee. As a result, the calculated percentage of the Company's total share of income (losses) of the equity-accounted investee income (losses) will vary from period to period.

(Expressed in Canadian Dollars)

6. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES (continued)

Summarized financial information of equity accounted investees (continued)

760 Second St GP		**June 30, 2026**		**December 31, 2025**
Assets				
Construction in progress	$	32,627,113	$	16,534,036
Other current assets		560,210		1,695,772
		33,187,323		**18,229,808**
Liabilities				
Debt		19,746,170		3,750,000
Accounts payable		4,840,846		1,580,899
		24,587,016		**5,330,899**
Net assets of 760 Second St GP	**$**	**8,600,307**	$	**12,898,909**
Net assets attributable to the Company (i)	**$**	**4,300,154**	**$**	**6,449,454**
Investment in 760 Second St GP	**$**	**2,660,267**	**$**	**4,809,567**

i. The 760 Second St GP is structured as a general partnership, and the partnership units represent participation rights in the net assets of the GP, and distributions are made in accordance with the partnership agreement. The investment is accounted for using the equity method, whereby the investment is initially recognized at cost and subsequently adjusted to recognize the Company's share of the profit or loss of the GP. The Company's share of income or losses from the GP is determined based on its ownership interest and the terms of the partnership agreement.

7. PREPAID EXPENSES AND OTHER ASSETS

		June 30, 2026		**December 31, 2025**
Current:				
Prepaid expenses and deposits	$	2,017,618	$	1,714,254
Non-current:				
Note receivable (i)		1,524,318		3,225,000
Balance at the end of period	**$**	**3,541,936**	**$**	**4,939,254**

i. The Company has a note receivable from a non-arms length party relating to its investment in 760 Second Street GP (note 6). The note receivable accrues interest rate at 8%, calculated semi-annually, and has a maturity date of November 2040. The borrower has the right to repay the note receivable any time before the maturity date, and has the requirement to repay on refinancing of the 760 Second Street GP's debt and on receipt of certain proceeds from management fees. During the six months ended June 30, 2026, the borrower made repayments resulting in a reduction in the note receivable. The note receivable is secured by the borrower's units in 760 Second Street GP.

(Expressed in Canadian Dollars)

8. ACCOUNTS RECEIVABLE

		June 30, 2026		December 31, 2025
Current:				
Rent receivable on investment properties	$	136,142	$	-
Accrued tax, maintenance and insurance recoveries		230,339		269,324
Management fees		86,207		20,788
Investment income receivable		296,678		261,775
Other receivables		508,516		815,002
		1,257,882		1,366,889
Non-current:				
Straight-line rent adjustments		3,573,543		2,378,073
Balance at end of period	**$**	**4,831,425**	**$**	**3,744,962**

9. DEBT

The following table summarizes the debt as of June 30, 2026, and December 31, 2025.

	June 30, 2026				December 31, 2025			
	Rate range	Weighted average		Balance	Rate range	Weighted average		Balance
Mortgages:								
At amortized cost - fixed [i]	4.60% - 6.87%	5.30%	$	48,428,178	2.31% - 6.87%	4.99%	$	47,396,877
	Maturity: Dec 2028 to Dec 2030				*Maturity: Jan 2026 to Dec 2030*			
At FVTPL - Mortgage				7,981,690				8,147,324
- Fixed via interest rate swap [ii]				(244,335)				(261,452)
		3.49%		7,737,355		3.49%		7,885,872
	Maturity: Nov 2029				*Maturity: Nov 2029*			
Credit facilities:								
At FVTPL - Credit facilities [iii, iv]		4.66%		12,421,000		4.69%		10,842,604
At FVTPL - Credit facilities [iii]				74,100,166				73,937,068
- Fixed via interest rate swap [v]				399,834				562,932
		5.35%		74,500,000		5.45%		74,500,000
	Maturity: Mar 2027 to Mar 2029				*Maturity: Mar 2026 to Mar 2027*			
Total debt [vi]		**5.17%**		**143,086,533**		**5.13%**		**140,625,353**
Financing costs, net [vii]				(468,351)				(495,677)
Carrying value [viii]			$	**142,618,182**			$	**140,129,676**
Current debt			$	68,063,253			$	31,453,921
Non-current debt			$	74,554,929			$	108,675,755

(Expressed in Canadian Dollars)

9. DEBT (continued)

i. As at June 30, 2026, included in these figures is a mortgage payable, with a USD equivalent balance of $4,075,262 (December 31, 2025 – $4,112,644 USD) with an amortization period of 25 years. The remainder of the mortgages are payable in CAD with an amortization period of 25 years.

ii. The mortgage models a fixed rate mortgage with a set interest rate of 3.49%, amortizing with fixed monthly payments over 25 years, with a term of 10 years. The swap contracts require settlement of net interest receivable or payable every 30 days. The settlement dates coincide with the dates on which interest is payable on the underlying mortgage payable. The mortgage and interest rate swaps have been accounted for at FVTPL. As at June 30, 2026, the interest rate swap on mortgages (note 10) was in a net asset position of $244,335 (December 31, 2025 – asset position of $261,452).

iii. Included in the credit facilities is a revolving line of credit of $74,000,000 of which $46,921,000 has been drawn upon as at June 30, 2026 (December 31, 2025 – $72,000,000 line of credit with $45,342,604 drawn), resulting in a remaining line of credit available of $27,079,000 (December 31, 2025 – $26,657,396). The interest rate applicable to the available line of credit will be determined in accordance with the prevailing variable interest rate.

iv. The balance includes a USD balance of $1,000,000 ($1,421,000 CAD) as at June 30, 2026 (December 31, 2025 – USD balance of $700,000 ($959,420 CAD)).

v. The Company has entered into a series of swap agreements to fix the interest rate of between 5.10% to 5.54% on the $74,500,000 combined revolving and non-revolving lines of credit, for the remainder of the loan term maturing on March 2027 to March 2029. The swap contracts require settlement of net interest receivable or payable every 30 days and have been accounted for at FVTPL. As of June 30, 2026, the interest rate swap on credit facilities was in a financial liability position amounting to $399,834 (December 31, 2025 – financial liability position of $562,932). The unrealized fair value of the swap position after loan maturity is detailed in note 10.

vi. The mortgages and lines of credit are collateralized by first charges on specific investment properties (note 3), parking properties (note 4), and investments at fair value (note 5).

vii. The deferred financing costs consist of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization of $1,212,511 as at June 30, 2026 (December 31, 2025 – $1,100,238).

viii. See note 18 for additional disclosure on the estimated fair value of the debt.

The following table provides a continuity of total debt for the six months ended June 30, 2026 and December 31, 2025.

		June 30, 2026		December 31, 2025
Balance at beginning of period	$	140,129,676	$	179,099,563
Debt issuance [(i)]		10,187,186		27,071,475
Debt issuance costs		(79,104)		(387,364)
Debt repayment [(i)]		(7,985,897)		(65,669,207)
Change in fair value of mortgage payable measured at FVTPL		145,981		(586,609)
Change in fair value of interest rate swap		(145,981)		586,609
Amortization of debt issuance costs		112,273		341,244
Unrealized foreign exchange		254,048		(326,035)
Balance at end of period	**$**	**142,618,182**	**$**	**140,129,676**

i. Debt issuance is net of debt repayments on the revolving credit facility at a financial institution.

(Expressed in Canadian Dollars)

9. DEBT (continued)

Principal repayments on debt are estimated as follows:

		Total
2026	$	655,920
2027 (i)		68,282,866
2028 (i)		6,923,558
2029 (i)		27,988,251
2030 (i)		39,235,938
	$	**143,086,533**

i. Includes debt balance due at maturity.

10. UNREALIZED FAIR VALUE OF DERIVATIVE LIABILITIES

The Company has entered into swap agreements with its lenders for its variable debt outlined in note 9, with certain swaps maturing on dates beyond the maturities of the underlying debt. These swap positions have maturities between April 2027 and May 2031, with an option to cancel at a specified date in May 2029, at the option of the lender. The fair value of the financial instrument as June 30, 2026 is an unrealized derivative liability of $521,998 (December 31, 2025 – derivative liability of $371,877). As at June 30, 2026, the overall swap positions, up until its final maturity for all of the Company's swaps, are a financial liability of $677,497 (December 31, 2025 – financial liability of $673,357).

		June 30, 2026		December 31, 2025
Fair value of swap to maturity – financial liability (i)	$	677,497	$	673,357
Fair value of swap offset against mortgages (note 9) (ii)		244,335		261,452
Fair value of swap offset against credit facilities (note 9) (ii)		(399,834)		(562,932)
Unrealized fair value of derivative liabilities (iii, iv)	**$**	**521,998**	**$**	**371,877**

i. Inclusive of the fair value of all the Company's swaps held until the swap's final maturity.
ii. The fair value of the swap up until the maturity of the offsetting loan.
iii. The fair value of the swap that exceeds the maturity of the offsetting loan, until the swap's final maturity, inclusive of the lenders option to cancel.
iv. See note 18 for additional disclosure on the estimated fair value of the derivative liabilities.

The table below outlines the unrealized gain or loss on derivative financial instruments:

		For the three months ended June 30, 2026		For the three months ended June 30, 2025		For the six months ended June 30, 2026		For the six months ended June 30, 2025
Unrealized (loss) gain on derivative financial instruments	$	(419,381)	$	1,676,656	$	(150,121)	$	1,041,502
Realized loss on derivative financial instruments	$	-	$	(771,000)	$	-	$	(771,000)
	$	**(419,381)**	**$**	**905,656**	**$**	**(150,121)**	**$**	**270,502**

(Expressed in Canadian Dollars)

11. ACCOUNTS PAYABLE AND OTHER LIABILITIES

		June 30, 2026		December 31, 2025
Current:				
Accounts payable and accrued liabilities	$	3,304,810	$	4,353,822
Rents received in advance		1,416,175		316,590
Accrued interest on debt (note 9)		293,460		297,430
Income tax payable		237,623		237,623
		5,252,068		5,205,465
Non-current:				
Tenant deposits		1,732,531		1,415,433
Balance at end of period	**$**	**6,984,599**	**$**	**6,620,898**

12. EQUITY

a) Authorized

Unlimited common shares, without par value.

Effective June 22, 2026, the Company consolidated its issued and outstanding common shares on the basis of 1 post-consolidation common share for every 15 pre-consolidation common shares (the "Reverse Split"). All common shares, stock options, and per share amounts in these financial statements have been retrospectively adjusted to reflect the Reverse Split for all periods presented, unless otherwise noted. No fractional shares or stock options were issued in connection with the Reverse Split. The Company's authorized share capital continues to consist of an unlimited number of common shares, without par value, and total share capital was not affected by the Reverse Split.

Normal Course Issuer Bid Program

In March 2025, the Company renewed the NCIB program to purchase for cancellation, during the 12-month period starting March 28, 2025, where the Company can purchase up to 739,224 of the outstanding common shares of the Company. The program will end on March 27, 2026. The program was renewed for a further 12-month period starting March 28, 2026, where the Company can purchase up to 766,793 of the outstanding common shares of the Company. The program will end on March 27, 2027. The price paid for the common shares is, subject to NCIB pricing rules contained in securities laws, the prevailing market price of such common shares on the TSX Venture Exchange at the time of such purchase.

During six months ended June 30, 2026, the Company purchased and cancelled 387,546 (December 31, 2025 – 654,358) common shares pursuant to its NCIB for a total of $3,560,024 (December 31, 2025 – $5,144,200) at an average price of $9.19 (December 31, 2025 – $7.86) per share. The Company's share capital was reduced by $4,294,403 (December 31, 2025 – $7,250,970) for the value of the shares purchased for cancellation with the excess of $734,379 paid under the value was recognized as a change in the retained earnings (deficit) (December 31, 2025 – the excess of $2,106,770 under the value recognized as a change in the retained earnings (deficit)).

b) Stock options

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance as at December 31, 2025	1,034,531	$16.57
Balance at end of period	**1,034,531**	**$16.57**

(Expressed in Canadian Dollars)

12. EQUITY (continued)

b) Stock options (continued)

On December 31, 2025, the Company approved and granted 91,395 stock options to directors, officers, employees and consultants of the Company, for a total expense of $205,371. The stock options were fully vested on the grant date, have a 10-year term, and are exercisable at a price of $8.40 per share.

As at June 30, 2026, the following stock options were outstanding and exercisable:

Exercise price	Number of exercisable options	Number of outstanding options	Weighted average years to expiry
$8.40	91,395	91,395	9.51
$9.00	104,230	104,230	8.51
$9.45	144,234	144,234	7.50
$15.75	230,000	230,000	6.56
$22.50	464,672	464,672	5.23
$16.57	**1,034,531**	**1,034,531**	**6.55**

As of December 31, 2025, the following stock options were outstanding and exercisable:

Exercise price	Number of exercisable options	Number of outstanding options	Weighted average years to expiry
$8.40	91,395	91,395	10.00
$9.00	104,230	104,230	9.00
$9.45	144,234	144,234	8.00
$15.75	230,000	230,000	7.06
$22.50	464,672	464,672	5.73
$16.57	**1,034,531**	**1,034,531**	**7.05**

The following table provides a continuity of total contributed surplus for the period ended June 30, 2026, and December 31, 2025.

		Contributed surplus
Balance as at December 31, 2024	**$**	**5,031,280**
Share-based compensation		205,371
Balance as at December 31, 2025		**5,236,651**
Balance as at June 30, 2026	**$**	**5,236,651**

(Expressed in Canadian Dollars)

13. GENERAL AND ADMINISTRATIVE EXPENSES AND OTHER INCOME

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Management salaries and fees (note 15)	$ 240,952	$ 215,598	$ 481,904	$ 408,079
Director fees (note 15)	36,000	36,000	72,000	72,000
Professional fees	336,707	372,563	652,296	752,763
Other administrative expenses	120,276	130,953	252,296	259,433
Total general and administrative expenses	**733,935**	**755,114**	**1,458,496**	**1,492,275**
Asset management income	(31,350)	(31,532)	(62,556)	(63,579)
Finance income	(89,983)	(16,073)	(210,529)	(43,193)
Realized and unrealized foreign exchange loss (gain)	41,823	(241,906)	147,046	(246,219)
Total general and administrative expenses and other income	**$ 654,425**	**$ 465,603**	**$ 1,332,457**	**$ 1,139,284**

14. FINANCE COSTS

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Interest expense on debt (note 9)	$ 1,843,401	$ 2,471,026	$ 3,672,885	$ 4,923,621
Amortization of debt issuance costs (note 9)	55,601	72,340	112,273	129,572
Unrealized change in fair value on mortgage payable (note 9)	46,759	(265,398)	145,981	(703,445)
Unrealized change in fair value interest rate swap (note 9)	(46,759)	265,398	(145,981)	703,445
Total	**$ 1,899,002**	**$ 2,543,366**	**$ 3,785,158**	**$ 5,053,193**

15. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Senior management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Senior management personnel include the Company's executive officers and members of the Board of Directors.

(Expressed in Canadian Dollars)

15. RELATED PARTY TRANSACTIONS (continued)

Compensation of key management personnel (continued)

	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Total for all senior management				
Salaries, fees, and benefits (note 13)	$ **87,018**	$ **87,018**	$ **174,036**	$ **174,036**
Total for all directors				
Director fees (note 13)	**36,000**	**36,000**	**72,000**	**72,000**
Property and other general operating expenses				
Investment properties expenses	284,298	381,179	616,825	758,017
Professional fees and other administrative expenses	458,370	471,840	916,601	904,051
Finance costs	5,475	35,357	10,885	41,083
	748,143	**888,376**	**1,544,311**	**1,703,151**
Total	$ **871,161**	$ **1,011,394**	$ **1,790,347**	$ **1,949,187**

Transactions with related parties

The Company entered into a property management agreement with Access Results Management Services Inc. ("ARMS") in December 2020, which was renewed and now expires in December 2030. ARMS and the Company are related by having common members on its Board of Directors. The Company also receives invoices from ARMS and its related companies for construction, maintenance and other services related to the day-to-day operations, including accounting, financial, property and executive management.

- For the three and six months ended June 30, 2026, construction costs of $125,758 and $282,388 incurred through ARMS and its related companies have been capitalized to investment properties (three and six months ended June 30, 2025 – $580,309 and $774,992).

- Amounts due to and from ARMS and its related companies at June 30, 2026 includes $658,625 in accounts payable and accrued liabilities (December 31, 2025 – $1,225,885) and $815,168 is included in accounts receivable (December 31, 2025 – $427,750).

The Company had acquired the investment property at 1650 Blvd Lionel Bertrand, Boisbriand, Quebec from a non-arms length vendor managed by two directors of the Company, for an aggregate purchase price $10,250,000 on February 6, 2025, subject to customary adjustments (note 3).

During the year ended December 31, 2025, the Company transferred its investment property, located at 568 Second Street, to 760 Second St GP for consideration of $12,900,000 (note 6). The consideration was satisfied entirely through partnership units representing the Company's interest in the partnership, based on a stated value of $1 per unit. Parkit sold 50% of its interest in the partnership for $6,450,000 and the Company retains a 50% interest.

For the three and six months ended June 30, 2026, the Company earned $1,018,084 and $1,912,182 in investment properties revenues from leases with companies managed by two directors of the Company (three and six months ended June 30, 2025 – $1,160,139 and $1,889,458).

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION

The Company operates in two reportable business segments:

- Investment properties – involves the acquisition and management of income-producing investment properties across key markets in Canada.
- Parking properties – involves the acquisition and management of income-producing parking facilities across the United States.

Each segment is a component of the Company for which separate discrete financial information is available by the chief decision makers of the Company. The Company evaluates performance and allocates resources based on earnings before interest, taxes, depreciation, amortization, and stock-based compensation. Corporate costs are not allocated to the segments and are shown separately.

During the three and six months ended June 30, 2026, the Company had one customer individually exceed 10% of total revenue. This customer accounted for 14% and 13% of total revenues for the three and six months ended June 30, 2026 (13% and 10% for the three and six months ended June 30, 2025).

For the three months ended June 30, 2026	**Investment properties**	**Parking properties**	**Corporate**	**Total**
Investment properties revenue	$ 6,034,008	$ -	$ -	$ 6,034,008
Investment properties expenses	(1,651,393)	-	-	(1,651,393)
Net rental income	**4,382,615**	-	-	**4,382,615**
Parking properties revenue	-	1,078,637	-	1,078,637
Parking properties expenses	-	(1,173,559)	-	(1,173,559)
Share of income from equity-accounted investees	-	30,067	-	30,067
Net parking and equity-accounted loss	-	**(64,855)**	-	**(64,855)**
Other income (loss)				
Investment income	-	-	831,760	831,760
Unrealized gain on investments at fair value	-	-	6,093,973	6,093,973
Unrealized loss on derivative financial instruments	-	-	(419,381)	(419,381)
	-	-	**6,506,352**	**6,506,352**
Other (income) expenses				
General and administrative expenses and other income	-	(31,350)	685,775	654,425
Depreciation	-	-	1,713,182	1,713,182
Finance costs	-	-	1,899,002	1,899,002
	-	**(31,350)**	**4,297,959**	**4,266,609**
Income (loss) before tax	**4,382,615**	**(33,505)**	**2,208,393**	**6,557,503**
Income tax expense	-	-	(204,930)	(204,930)
NET INCOME (LOSS)	**$ 4,382,615**	**$ (33,505)**	**$ 2,003,463**	**$ 6,352,573**
Total assets	$ 292,300,719	$ 15,659,140	$ 7,970,528	$ 315,930,387
Total liabilities	$ 5,963,432	$ 6,436,282	$ 137,725,065	$ 150,124,779

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION (continued)

For the three months ended June 30, 2025	Investment Properties	Parking Properties	Corporate	Total
Investment properties revenue	$ 7,750,540	$ -	$ -	$ 7,750,540
Investment properties expenses	(2,487,027)	-	-	(2,487,027)
Net rental income	**5,263,513**	-	-	**5,263,513**
Parking properties revenue	-	1,209,801	-	1,209,801
Parking properties expenses	-	(1,192,205)	-	(1,192,205)
Share of loss from equity-accounted investees	-	(7,420,782)	-	(7,420,782)
Net parking and equity-accounted loss	-	**(7,403,186)**	-	**(7,403,186)**
Other income (loss)				
Gain on disposition	24,804,916	-	-	24,804,916
Investment income	-	-	241,935	241,935
Unrealized loss on investments at fair value	-	-	(258,065)	(258,065)
Unrealized gain on derivative financial instruments	-	-	905,656	905,656
	24,804,916	-	**889,526**	**25,694,442**
Other (income) expenses				
General and administrative expenses and other income	-	(31,532)	497,135	465,603
Depreciation	-	-	2,386,474	2,386,474
Finance costs	-	-	2,543,366	2,543,366
	-	**(31,532)**	**5,426,975**	**5,395,443**
NET INCOME (LOSS)	**$ 30,068,429**	**$ (7,371,654)**	**$ (4,537,449)**	**$ 18,159,326**
Total assets	$ 279,889,824	$ 16,124,424	$ 11,077,021	$ 307,091,269
Total liabilities	$ 6,056,510	$ 6,206,017	$ 136,998,867	$ 149,261,394

For the six months ended June 30, 2026	Investment properties	Parking properties	Corporate	Total
Investment properties revenue	$ 11,937,434	$ -	$ -	$ 11,937,434
Investment properties expenses	(3,412,382)	-	-	(3,412,382)
Net rental income	**8,525,052**	-	-	**8,525,052**
Parking properties revenue	-	2,076,071	-	2,076,071
Parking properties expenses	-	(2,318,680)	-	(2,318,680)
Share of loss from equity-accounted investees	-	(77,289)	-	(77,289)
Net parking and equity-accounted loss	-	**(319,898)**	-	**(319,898)**
Other income (loss)				
Investment income	-	-	1,623,142	1,623,142
Unrealized gain on investments at fair value	-	-	4,143,140	4,143,140
Unrealized loss on derivative financial instruments	-	-	(150,121)	(150,121)
	-	-	**5,616,161**	**5,616,161**
Other (income) expenses				
General and administrative expenses and other income	-	(62,556)	1,395,013	1,332,457
Depreciation	-	-	3,422,462	3,422,462
Finance costs	-	-	3,785,158	3,785,158
	-	**(62,556)**	**8,602,633**	**8,540,077**
Income (loss) before tax	**8,525,052**	**(257,342)**	**(2,986,472)**	**5,281,238**
Income tax expense	-	-	(314,933)	(314,933)
NET INCOME (LOSS)	**$ 8,525,052**	**$ (257,342)**	**$ (3,301,405)**	**$ 4,966,305**
Total assets	$ 292,300,719	$ 15,659,140	$ 7,970,528	$ 315,930,387
Total liabilities	$ 5,963,432	$ 6,436,282	$ 137,725,065	$ 150,124,779

(Expressed in Canadian Dollars)

16. SEGMENTED INFORMATION (continued)

For the six months ended June 30, 2025	Investment Properties	Parking Properties	Corporate	Total
Investment properties revenue	$ 14,871,681	$ -	$ -	$ 14,871,681
Investment properties expenses	(4,722,132)	-	-	(4,722,132)
Net rental income	**10,149,549**	-	-	**10,149,549**
Parking properties revenue	-	2,348,524	-	2,348,524
Parking properties expenses	-	(2,347,592)	-	(2,347,592)
Share of loss from equity-accounted investees	-	(7,600,819)	-	(7,600,819)
Net parking and equity-accounted loss	-	**(7,599,887)**	-	**(7,599,887)**
Other income (loss)				
Gain on disposition	24,804,916	-	-	24,804,916
Investment income	-	-	241,935	241,935
Unrealized loss on investments at fair value	-	-	(258,065)	(258,065)
Unrealized gain on derivative financial instruments	-	-	270,502	270,502
	24,804,916	-	**254,372**	**25,059,288**
Other (income) expenses				
General and administrative expenses and other income	-	(63,579)	1,202,863	1,139,284
Depreciation	-	-	4,777,947	4,777,947
Finance costs	-	-	5,053,193	5,053,193
	-	**(63,579)**	**11,034,003**	**10,970,424**
NET INCOME (LOSS)	**$ 34,954,465**	**$ (7,536,308)**	**$ (10,779,631)**	**$ 16,638,526**
Total assets	$ 279,889,824	$ 16,124,424	$ 11,077,021	$ 307,091,269
Total liabilities	$ 6,056,510	$ 6,206,017	$ 136,998,867	$ 149,261,394

17. SUPPLEMENTAL INFORMATION WITH RESPECT TO CASH FLOWS

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Cash paid for taxes	$ 233,258	$ -
Non-cash transactions:		
Amounts included in accounts payable and other liabilities		
Additions to investment properties (note 3)	153,188	305,883

(Expressed in Canadian Dollars)

18. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with level 1 inputs having the highest priority. The levels used to value the Company's financial assets and liabilities are described below.

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly, i.e. as prices, or indirectly, i.e. derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on an observable market, i.e. unobservable inputs.

The fair value of the Company's accounts receivable, long-term receivable, accounts payable and accrued liabilities, accrued interest, and tenant deposits approximate carrying value, which is the amount recorded on the consolidated statements of financial position.

The following table provides a summary of the remaining fair value measurements of the Company:

		June 30, 2026		December 31, 2025	
	Fair value hierarchy	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets measured at amortized cost:					
Cash	Level 1	$ 5,381,025	$ 5,381,025	$ 5,382,290	$ 5,382,290
Non-financial assets for which fair value is disclosed:					
Investment properties – cost model	Level 3	228,713,475	310,273,600	231,690,637	308,364,541
Financial asset and liabilities measured at fair value:					
PROREIT – Trust Units	Level 1	36,916,655	36,916,655	28,202,165	28,202,165
PROREIT – LP Units	Level 2	18,858,750	18,858,750	17,521,250	17,521,250
Debt at FVTPL – mortgages and line of credit	Level 2	(94,502,856)	(94,502,856)	(92,926,996)	(92,926,996)
Interest rate swaps	Level 2	(155,499)	(155,499)	(301,480)	(301,480)
Unrealized fair value of derivative liabilities	Level 2	(521,998)	(521,998)	(371,877)	(371,877)
Financial liabilities for which fair value is disclosed:					
Debt at amortized cost – mortgages	Level 3	(48,428,178)	(48,042,051)	(47,396,877)	(47,392,222)

There were no transfers between levels 1, 2 or 3 in 2026 or 2025.

(Expressed in Canadian Dollars)

18. FAIR VALUE MEASUREMENTS (continued)

Valuation processes for investment property

The fair value of an individual investment property was determined through:

- a valuation using the income capitalization approach, which is calculated with a stabilized net operating income and capitalized at the requisite overall capitalization rate; or
- the discounted cash flow approach, which discounts the expected future cash flows, including a terminal value, based on the application of a terminal capitalization rate to the assumed final year's estimated cash flows, or
- a direct comparison method, which is the primary method of appraising investment properties consisting solely of land. Recent sales of parcels of land, similar in terms of physical characteristics, and location are compared to the subject property to determine a representative value for the unit of comparison, i.e. sale price per acre.

Updating the fair value for changes in the property cash flow, physical condition and changes in market conditions includes key assumptions and estimates for capitalization rates, normalized property operating revenues less property operating expense, discount rates, terminal rates, market rents, leasing costs and vacancy rates.

The Company's management team is responsible for determining the fair value measurements on a quarterly basis, including verifying all major inputs included in the valuation and reviewing the results. The Company's management, along with its Audit Committee, discuss the valuation process and key inputs on a quarterly basis. At June 30, 2026, a weighted average of 37% of the fair market value of the investment properties were appraised within the last year by qualified external valuators who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. The fair value of the remaining portfolio of investment properties was determined internally by the Company's management team by individuals who are knowledgeable and have specialized industry experience in real estate valuations, with support from external valuation professionals, using similar assumptions and valuation principles as used by external appraisers.

The significant and unobservable level 3 valuations metrics used in the methods as at June 30, 2026 and December 31, 2025 are set out in the table below for investment properties consisting of land and building:

	June 30, 2026		December 31, 2025	
	Range (%)	**Weighted average (%)**	**Range (%)**	**Weighted average (%)**
Income capitalization method				
Stabilized capitalization rate	6.00-6.75	6.36	6.00-6.75	6.36
Discounted cash flow method				
Terminal capitalization rate	6.00-8.00	6.76	6.00-7.75	6.66
Discount rate	6.75-8.75	7.41	6.75-8.75	7.31

Sensitivities on assumptions:

Generally, under the income capitalization method, an increase in stabilized net operating income will result in an increase in the fair value of an investment property, and an increase in the stabilized capitalization rate will result in a decrease to the fair value of the investment property.

Generally, under the discounted cash flow method, an increase in discount rate and terminal capitalization rate will result in a decrease to the fair value of an investment property.

(Expressed in Canadian Dollars)

18. FAIR VALUE MEASUREMENTS (continued)

Valuation processes for investment property (continued)

Changes in the capitalization rates and discount rates would result in a change to the fair value of the investment properties as set out below:

	June 30, 2026	December 31, 2025
	(Decrease) increase	**(Decrease) increase**
Income capitalization method:		
Weighted average stabilized capitalization rate:		
25-basis point increase	$ (2,656,173)	$ (2,657,545)
25-basis point decrease	2,873,276	2,874,813
Discounted cash flow method:		
Weighted average terminal capitalization rate:		
25-basis point increase	(4,299,093)	(4,352,083)
25-basis point decrease	4,637,882	4,697,151
Weighted average discount rate:		
25-basis point increase	(3,833,243)	(3,810,656)
25-basis point decrease	3,924,095	3,901,247

Valuation processes for financial liabilities measured at FVTPL

The fair value of the mortgages with interest rate swaps are held at FVTPL. For mortgages which contain swaps, as the interest rate on the facilities fluctuates with changes in market rates, debt and the swap work to offset any changes in effective interest rate, which effectively creates a fixed rate mortgage. The fair value of the mortgages is equivalent to a) the fair value of the interest rate swap based on the present value of the estimated cash flows determined using observable yield curves and b) the fair value of the underlying debt instrument. The Company computes the fair value analyzing both the debt and swap instrument together as one financial instrument.

The fair value of the unrealized derivative liability is the value of the swap relating to the period after the maturity of the underlying debt to the derivative liabilities' maturity. The fair value measurement of the interest rate swaps is valued by qualified independent valuation professionals based on the present value of the estimated future cash flows determined using observable yield curves. As a result, these measurements are classified as Level 2 in the fair value hierarchy.

The fair value of the investments is determined by using observable market inputs such as quoted closing prices in active markets. For investments that are not actively traded, the fair value is determined by observing the quoted prices of the underlying convertible units, resulting in a Level 2 classification in the fair value hierarchy.

Valuation processes for financial liabilities measured at amortized cost

The fair value of the fixed rate mortgages held at amortized cost are determined by discounting the expected cash flows each mortgage using market discount rates. The discount rates are determined using the Government of Canada benchmark bond yield for instruments of similar maturity adjusted for the Company's specific credit risk. In determining the adjustment for credit risk, the Company considers market conditions, the fair value of the investment properties that the mortgages are secured by and other indicators of the Company's creditworthiness. As a result, these measurements are classified as Level 3 in the fair value hierarchy.

19. SUBSEQUENT EVENTS

Subsequent to June 30, 2026, the Company purchased and cancelled 1,900 common shares pursuant to its NCIB for a total of $17,081 (note 12).