

Consolidated Financial Statements of

**SIX NATIONS OF THE GRAND
RIVER DEVELOPMENT
CORPORATION**

And Independent Auditor's Report thereon
Year ended December 31, 2025



KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton, ON L8P 4W7
Canada
Telephone 905 523 8200
Fax 905 523 2222

INDEPENDENT AUDITOR'S REPORT

To the Directors of Six Nations of the Grand River Development Corporation:

Opinion

We have audited the accompanying consolidated financial statements of Six Nations of the Grand River Development Corporation (the Organization) which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of earnings for the year then ended
- the consolidated statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Organization as at December 31, 2025, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly wavy line that underlines the text.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

April 21, 2026

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,648,290	\$ 3,280,395
Restricted cash (note 3)	29,581,724	25,834,169
Accounts receivable (note 4)	5,666,980	2,517,448
Inventories	220,522	281,372
Prepaid expenses	113,253	71,042
Current portion on long-term receivable (note 5)	10,066,042	10,026,042
Other assets (note 20)	—	—
	<u>49,296,811</u>	<u>42,010,468</u>
Long-term receivables (note 5)	775,087	874,504
Investments in economic interest projects (note 6)	79,546,662	68,361,246
Capital assets (note 8)	10,093,001	11,070,820
	<u>\$ 139,711,561</u>	<u>\$ 122,317,038</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 9)	\$ 2,560,686	\$ 2,713,272
Deferred revenue	472,877	490,908
Distributions payable (note 16(a))	3,475,629	3,227,656
Current portion of long-term debt (note 10)	5,116,308	2,261,454
	<u>11,625,500</u>	<u>8,693,290</u>
Deferred capital contributions (note 11)	779,811	771,960
Long-term debt (note 10)	34,364,460	29,187,052
Net assets:		
Share capital (note 12)	1	1
Invested in capital assets (note 13)	9,292,518	10,252,881
Invested in economic interest entities (note 14)	40,086,566	36,958,719
Internally restricted reserves (note 15)	29,581,724	25,834,169
Unrestricted contributed surplus	3,590,981	268,966
Capital held for long term investments	10,390,000	10,350,000
	<u>92,941,790</u>	<u>83,664,736</u>
Commitments (note 17)		
Subsequent event (note 23)		
	<u>\$ 139,711,561</u>	<u>\$ 122,317,038</u>

See accompanying notes to consolidated financial statements.

On Behalf of the Board:

_____ Director

_____ Director

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Consolidated Statement of Earnings

Year ended December 31, 2025, with comparative information 2024

	2025	2024
Revenues:		
Nations enterprises	\$ 29,287,858	\$ 29,254,753
Economic interests (note 6)	16,107,380	14,417,396
Master trust income	1,569,693	1,423,963
Interest Income	2,058,848	1,777,550
Amortization of deferred capital contributions (note 11)	73,649	73,648
	<u>49,097,428</u>	<u>46,947,310</u>
Expenses:		
General, operating and administrative expenses	24,008,375	23,967,532
Salaries and benefits	7,276,605	6,638,544
Utilities	473,631	446,351
Gaming license and sponsors	442,000	310,000
Six Nations of the Grand River Elected Council - rent	1,162,802	700,000
Six Nations of the Grand River Elected Council - Bingo hall debt charges	92,560	555,363
Interest	1,015,564	1,070,612
Amortization of capital assets	1,630,737	1,547,622
Other	488,946	139,779
	<u>36,591,220</u>	<u>35,375,803</u>
Excess of revenues over expenses before distribution	12,506,208	11,571,507
Distributions to beneficiaries (note 16)	3,229,154	2,915,393
Excess of revenues over expenses	\$ 9,277,054	\$ 8,656,114

See accompanying notes to consolidated financial statements.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Consolidated Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

December 31, 2025	Share capital	Invested in capital assets	Invested in economic interest entities	Internally restricted reserves (note 15)	Unrestricted contributed surplus	Capital held for long-term investments	Total
Balance, beginning of year	\$ 1	\$ 10,252,881	\$ 36,958,719	\$ 25,834,169	\$ 268,966	\$ 10,350,000	\$ 83,664,736
Excess of revenues over expenses	–	(1,557,088)	–	–	10,834,142	–	9,277,054
Transfers	–	596,725	3,127,847	3,747,555	(7,512,127)	40,000	–
Balance, end of year	\$ 1	\$ 9,292,518	\$ 40,086,566	\$ 29,581,724	\$ 3,590,981	\$ 10,390,000	\$ 92,941,790
December 31, 2024	Share capital	Invested in capital assets	Invested in economic interest entities	Internally restricted reserves (note 15)	Unrestricted contributed surplus	Capital held for long-term investments	Total
Balance, beginning of year	\$ 1	\$ 10,920,051	\$ 35,094,386	\$ 27,580,127	\$ 1,414,057	\$ –	\$ 75,008,622
Excess of revenues over expenses	–	(1,473,974)	–	–	10,130,088	–	8,656,114
Transfers	–	806,804	1,864,333	(1,745,958)	(11,275,179)	10,350,000	–
Balance, end of year	\$ 1	\$ 10,252,881	\$ 36,958,719	\$ 25,834,169	\$ 268,966	\$ 10,350,000	\$ 83,664,736

See accompanying notes to consolidated financial statements

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2025	2024
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$ 9,277,054	\$ 8,656,114
Items not involving cash:		
Amortization of capital assets	1,630,737	1,547,622
Amortization of deferred capital contributions	(73,649)	(73,648)
Changes in non-cash operating working capital:		
Accounts receivable	(3,149,532)	(882,807)
Prepaid expenses	(42,211)	35,019
Inventories	60,850	(166,947)
Due to related parties	–	(250,000)
Distributions payable	247,973	195,338
Accounts payable and accrued liabilities	(152,586)	447,407
Deferred revenue	(18,031)	465,550
	7,780,605	9,973,648
Financing:		
Payment of long-term debt	(2,261,510)	(2,201,472)
Proceeds of long-term debt	10,293,772	449,216
Additions to deferred capital contributions	81,500	–
	8,113,762	(1,752,256)
Investing:		
Purchase of capital assets	(652,918)	(782,701)
Dividends received	–	1,207,214
Investment in economic interest projects	(11,185,416)	(136,180)
Long-term receivable	59,417	(10,022,988)
	(11,778,917)	(9,734,655)
Increase (decrease) in cash	4,115,450	(1,513,263)
Cash, cash equivalents and restricted cash, beginning of year	29,114,564	30,627,827
Cash, cash equivalents and restricted cash, end of year	\$ 33,230,014	\$ 29,114,564

See accompanying notes to consolidated financial statements.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

Six Nations of the Grand River Development Corporation (the “Organization”) manages the economic interests of the Organization including partnerships with third parties. It also operates Nation Enterprises, such as the Six Nations Bingo Hall, Gathering Place by the Grand, Chiefswood Park and other ancillary operations in Six Nations Indian Reserve, No. 40 (the “Community”). The Organization’s objective is to derive economic benefits, create employment for Community members and generate income to support community priorities as determined in the Six Nations Community Plan. The Organization was incorporated with share capital on November 18, 2013, under the Canada Business Corporations Act. In March 2023, the Organization amalgamated its governance model to be governed by a single Board of Directors. The Board of Directors also serves as the Board of Trustees for the Six Nations of the Grand River Economic Development Trust (the “EDT”).

In March 2023, the EDT, Six Nations of the Grand River Elected Council (the “SNGR”), and the Organization entered into a 15-year Funding Agreement. In addition, SNGR and the Organization executed a 15-year Management Agreement. Among the terms agreed to is a new funding formula in which the Organization’s post-audit surplus free cash on hand will be distributed as follows:

- i) 50% - Six Nations of the Grand River Development Corporation - retained for future investment and growth opportunities.
- ii) 40% (or \$1,400,000 whichever is greater) - SNGR - to be used to address Community Plan priorities, by way of EDT annual transfer.
- iii) 10% - EDT- to be used for investment in community priorities outside SNGR departments.

Since March 2023, the amounts distributed are as follows:

	2025	2024	Cumulative March 2023
SNGRDC	\$ 3,267,344	\$ 2,918,362	\$ 8,195,691
SNGR	2,613,876	2,334,690	6,556,554
EDT	653,469	583,672	1,639,137
	\$ 6,534,689	\$ 5,836,724	\$ 16,391,382

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook. The Organization's significant accounting policies are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and net assets of the reporting Organization. The reporting Organization is comprised of all organizations, committees and trusts accountable for the administration of their financial affairs and resources to the Organization and which are owned or controlled by the Organization. All significant intercompany balances and transactions have been eliminated upon consolidation. These entities and organizations include:

9374264 Canada Limited – Nanticoke Solar LP

9211560 Canada Limited – Gunn's Hill LP

7539223 Canada Limited – Grand Renewable Wind LP

8490341 Canada Limited – Grand Renewable Solar LP

9250492 Canada Limited – OBP, BGI & Adidas Solar

9710612 Canada Limited – FWRN LP

11100726 Canada Limited – Niagara Reinforcement LP

11456784 Canada Limited – Oneida Energy LP

11937855 Canada Limited – 3DATX Corporation

12419700 Canada Limited – Oneida Energy Service Level Agreement

14950844 Canada Limited – SN Impact 5359 Dundas LP

15338085 Canada Limited – Elora Battery Energy Storage

14069358 Canada Limited – Nanticoke H2

15801397 Canada Limited – Hagersville Battery Storage Inc.

16119867 Canada Limited – Hedley Battery Energy Storage

16592228 Canada Limited – Oxford Battery Energy Storage

SNGR Trustee Services Inc.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(i) Consolidated entities (continued):

SNGR Utilities Trustee Inc.

Six Nations of the Grand River GP Inc.

SNGR Utilities LP

SNQM General Partner Inc

SNGR QM LP

17489072 Canada Ltd. - Queen's Line Reliability Project LP.

17489081 Canada Ltd. - Bloomfield Reliability Project LP

17548991 Canada Ltd - Simcoe Battery Project LP

17549059 Canada Ltd.

SN Brant Real Estate 1 Inc.

SN Hydroelectric 1 Inc.

SN Sarnia Hydrogen Inc. - CPXP Devco 1 Inc.

SNG Investment Holding Inc.

SN Niagara Holdings GP Inc.

SN Niagara Holdings Inc.

SN Niagara Holdings LP

Effective June 12, 2024, SNGR Wind Project 1 Trust, SNGR Wind Project 1 Trustee Inc, SNGR Community Benefits Trust, SNGR Community Benefits Trustee Inc, SNGR Solar Project 1 Trust, SNGR Solar Project 1 Trustee Inc, and Six Nations Solar Developments LP have wound up its operations into Six Nations of the Grand River Master Trust. The financial statement reflects all relevant information up to the aforementioned wind-up date.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(ii) Trusts:

Various Trusts have been created to facilitate the distribution of excess cash flow to the Community. The following trusts are included in the consolidated financial statements as the Organization controls the trust as the trustee:

SNGR Utilities Trust

SNGR Solar Project 1 Trust

SNGR Wind Project 1 Trust

SNGR Community Benefits Trust

Six Nations of the Grand River Master Trust

Six Nations of the Grand River Economic Development Trust

(b) Revenue recognition:

The Organization follows the deferral method of accounting for contributions which include government grants.

Contributions from grants that are unrestricted are recorded as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grants approved but not received at the end of an accounting period are accrued.

Revenue derived from grants which is restricted is recognized when the related expenditures have been made. Funds received for which the related expenditures have not been made are recorded as deferred revenue.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate of the related capital asset.

Six Nations Bingo revenue is recognized as earned.

Distribution revenue is recognized as the available cash flow from the underlying agreements are earned and collection of the relevant receivable is probable.

Revenues from Indigenous Services Canada are used only for the intended purpose of the funding received.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash, bank overdrafts and investments in money market or other short-term instruments or investments with a maturity of less than 90 days or redeemable at the Organization's discretion.

(d) Inventories:

Inventories are valued at the low of cost and net realizable value. Cost is determined by actual invoice amounts.

(e) Capital assets:

Capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Organization's ability to provide service, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

Asset	Rate
Building	20 years
Leasehold improvements	10 years
Furniture and fixtures	5 years
Equipment and vehicles	5 years
Computer software and equipment	2 years

The carrying amount of an item of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(f) Investments in entities:

The Organization accounts for its investments in entities subject to significant influence and its investments in joint ventures using the equity method whereby the investment is carried at cost and adjusted for any contributions or withdrawals and its share of the net earnings or losses of the investment. The investments in other companies are accounted for at cost.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal period if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying amount of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement.

(h) Income taxes:

The Organization is comprised of tax- exempt and taxable entities. In general, income taxes have not been recorded in these financial statements for tax - exempt entities on the basis each entity meets the annual conditions as a tax-exempt corporation under the Income Tax Act (Canada). The Canada Revenue Agency has not assessed the Organization's tax-exempt status and as a result if an unfavourable assessment is received, then the Organization may be subject to income taxes.

Where applicable, income tax in respect of taxable entities included in the Organization is reported using the taxes payable method, whereby the expense (income) of the period consists only of the cost (benefit) of current income taxes for that period, determined in accordance with the rules established by taxation authorities. No income tax is recorded for the year since there is no income tax payable or receivable in the year.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(i) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amounts of capital assets and receivables, valuation of investments, recognition of income taxes. Actual results could differ from those estimates.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

2. Transfer of operations from Six Nations of the Grand River Elected Council:

Effective May 1, 2015, the Organization commenced operations independently from SNGR. At this time a separate Board of Directors, Board of Trustees and Advisory Committee were established to govern the operations of the Organization. Previously, the Organization and the related activities were controlled by SNGR. The operations transferred to the Organization included Six Nations Bingo, Old Bingo Hall, Six Nations Tourism, Chiefswood Museum, Mohawk Chapel, Oneida Business Park, Our Sustenance, Internet Towers, Martin Property Line and other properties.

In addition to the operations above the economic interests and all related agreements were transferred to the Organization for no consideration as follows:

Investments in economic interest projects	\$	9,673,160
Accounts payable and accrued liabilities		(1,000)
Long-term debt		(10,382,026)
	\$	(709,866)

In 2020, the Our Sustenance property was divested to SNGR.

In 2023, Six Nations Tourism, Chiefswood Museum, Mohawk Chapel, Martin Property Line, Oneida Business Park (undeveloped lands) and other properties were divested to SNGR.

3. Restricted cash:

Included in restricted cash are guaranteed investment certificates of \$2,837,838 (2024 - \$11,913,357) that form part of the operating reserve. The guaranteed investment certificates have maturity dates throughout 2026, bearing interest at an annual average rate of 3.08% in 2025 amounting to \$43,092. The remaining restricted cash of \$26,743,886 (2024 - \$13,920,812) is internally restricted for future projects of the Organization as further outlined in Note 15.

4. Accounts receivable:

	2025	2024
Trade receivable	\$ 809,607	\$ 1,288,265
Distributions receivable	4,857,373	1,229,183
Balance, end of year	\$ 5,666,980	\$ 2,517,448

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

5. Long-term receivables:

	2025	2024
A6N equipment lease	\$ 392,092	\$ 515,987
Nanashake	382,994	358,517
Lynx Equity	10,026,043	10,026,042
17504382 Canada Corporation	40,000	-
	10,841,129	10,900,546
Less amounts due within one year	10,066,042	10,026,042
Balance, end of year	\$ 775,087	\$ 874,504

- (a) In 2021, the Organization purchased equipment and entered into an agreement to lease the equipment to Six Nations Aecon General Partnership (previously Six Nations Aecon Joint Venture) for monthly payments of \$68,000 the first 6 months and \$13,000 thereafter. The lease term is from December 1, 2021 and expires on March 31, 2028.
- (b) On August 7, 2024, the Organization entered into a \$350,000 convertible promissory note agreement with Nanashakes Inc. ("Nanashake"). Nanashake is a private company in the business of developing delicious and healthy ice cream alternatives that are naturally sweetened. Interest on the promissory note accrues at a rate of 7% per annum, compounding annually. The promissory note matures on August 7, 2027 unless the Organization at its sole discretion elects to extend the maturity for one or more 12-month periods. The loan plus accrued interest can be converted into Preferred Shares by the Organization prior to its maturity in the event of a Qualified Equity Financing by Nanashake based upon a prescribed formula in the promissory note agreement or at the maturity date.
- (c) On November 22, 2024, the Organization and Lynx Equity Limited ("Lynx") entered into a \$10,000,000 Term Loan Agreement. Lynx is a private equity firm that specializes in buying small to medium sized businesses from owners looking to retire. Interest on the term loan is payable monthly at a rate of 10% per annum. In 2025, the Organization recognized \$1,000,000 (2024 - \$109,375) of interest related to this loan of which \$26,053 (2024 - \$26,042) was accrued at year-end. The loan matures 12 months from the date of the advance, November 22, 2025 unless the Organization at its sole discretion elects to extend the maturity date for an additional 12 months by giving 30 days notice prior to the Maturity Date. On October 22, 2025 the Organization provided the required Notice.
- (d) On October 14, 2025, the Organization advanced \$40,000 to 17504382 Canada Corporation, an entity established by a consortium of Indigenous economic development corporations to pursue opportunities on a National scale. The purpose of the advance was to provide initial working capital. The loan is unsecured and does not bear interest and is due on December 31, 2026.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

6. Investments in economic interest projects:

	2025	2024
The following investments are carried at cost:		
Grand Renewable Wind – 10% limited partner	\$ 6,799,000	\$ 6,799,000
Grand Renewable Solar – 10% limited partner	2,874,160	2,874,160
Gunn’s Hill – 10% limited partner	1,835,625	1,835,625
Nanticoke Solar – 15% limited partner	3,832,223	3,832,223
FWRN – 50% limited partner	30,262,273	30,262,273
Niagara Reinforcement Line – 25% limited partner	11,943,000	11,943,000
3DATX Corporation – 6.94% partner	2,585,312	2,447,002
Oneida Storage – 10.3% limited partner	4,705,314	4,705,314
SNGR QM – 51% limited partner	1	1
Six Nations Aecon GP – 51% general partner	1,640,554	1,640,554
Adidas Solar	193,500	193,500
Hagersville Battery Storage	10,022,105	50
Dynamis Real Estate Partners IV Limited Partners	1,000,000	–
Seven Generations Growth Fund	25,000	–
CiveoSix Operations GP Limited	51	–
	77,718,118	66,532,702
The following joint ventures are accounted for using the equity method:		
Corporation of the County of Brant; Six Nations of the Grand River Joint Venture; 2325705 Ontario Inc. Joint Venture (“BGI Joint Venture”) – 15% venture interest	146,250	146,250
Corporation of the County of Brant and Six Nations of the Grand River Joint Venture (“OBP Joint Venture”) – 90% venture interest	1,682,294	1,682,294
	1,828,544	1,828,544
	\$ 79,546,662	\$ 68,361,246

In September 2025, the Organization invested \$1,000,000 with Dynamic Capital Partners IV Limited Partners (“DCP”). DCP is a Canadian private equity firm that is developing and constructing a ambient and cold storage logistics facility in Brantford, Ontario. Construction will be conducted in two phases and will be completed by September 2027.

In June 2025, the Organization committed \$500,000 to the Seven Generations Growth Fund, a fund managed by Hungerford Properties. The Fund was established to invest in indigenous real estate opportunities throughout Canada. As at December 31, 2025, the Organization has advanced \$25,000 of the \$500,000 commitment.

In May 2025, the Organization partnered with Civeo Corporation, a publicly listed entity and established a partnership to pursue opportunities in the integrated facilities management sector in Canada.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

6. Investments in economic interest projects (continued):

The following is a summary of the Organization's share of revenues and expenses of each joint venture:

	2025	2024
BGI Joint Venture		
Revenue	\$ 26,758	\$ 17,116
Expenses	(54)	(27)
	26,704	17,089
OBP Joint Venture		
Revenue	371,675	320,262
Expenses	(165,552)	(128,306)
	206,123	191,956
	\$ 232,827	\$ 209,045

Management evaluates the expected return on all investments on an annual basis. The revenues generated from the Organization's investment in economic interest projects are as follows:

	2025	2024
Distributions received from investments carried at cost	\$ 16,107,380	\$ 14,417,396
	\$ 16,107,380	\$ 14,417,396

Throughout the year, BGI and OBP joint ventures distribute the Organization's portion of the project profits.

7. Master trust entities:

The Organization is the beneficiary of the Cordelio Power & NextEra wind projects, the Capital Power & Dufferin wind projects and the Port Ryerse wind project. The Organization was not required to provide capital in these projects. The Organization is the beneficiary of the operating results of SNGR Utilities LP and various profit-sharing agreements.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

8. Capital assets:

	Cost	Accumulated amortization	Net book value 2025	Net book value 2024
Equipment and vehicles	\$ 1,644,846	\$ 1,113,057	\$ 531,789	\$ 569,037
Furniture and fixtures	543,362	266,337	277,025	104,570
Computer software and equipment	704,951	644,603	60,348	44,006
Leasehold improvements	11,456,108	6,171,561	5,284,547	6,135,061
Buildings	5,577,076	1,637,784	3,939,292	4,218,146
	<u>\$ 19,926,343</u>	<u>\$ 9,833,342</u>	<u>\$ 10,093,001</u>	<u>\$ 11,070,820</u>

9. Accounts payable and accrued liabilities:

There are no government remittances payable included in accounts payable and accrued liabilities \$nil (2024 - \$nil), for payroll deductions.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

10. Long-term debt:

	2025	2024
Loan agreement with Northland Power Canada Finance LP repayable in full on September 30, 2039, bearing annual interest of 5.25% for the first five years, thereafter the interest rate increases annually by 1% until a maximum rate of 8.25%.	\$ 5,346,486	\$ 5,074,769
Fixed rate term loan with monthly principal and interest payments in the amount of \$7,438, repayable in full on April 6, 2026, bearing interest 3.06%. Secured by the property of 9250492 Canada Limited, excluding the partnership units.	29,590	116,548
Loan agreement with RBC Royal Bank with monthly principal and interest payments in the amount of \$1,060, repayable in full on April 19, 2026 bearing monthly interest 0.499%.	4,205	16,283
Automobile loan with 130 biweekly principal and interest payments in the amount of \$278, repayable in full on April 2, 2027, bearing biweekly interest 0.269%. The debt is secured by the automobile.	8,705	15,084
Loan agreement with CNH Industrial Capital Canada Ltd. with monthly principal and interest payments in the amount of \$612, repayable in full on January 18, 2027, bearing monthly interest 0.358%.	7,762	14,612
Fixed rate term loan with semi-annual principal payments of \$130,000 and semi-annual interest payments bearing annual interest at 2.91%. The maturity date is April 30, 2026. Secured by property of 9374264 Canada Limited.	2,190,000	2,450,000
Vancity Community Investment Bank Tranche A Term Loan annual interest and principal payments of \$1,935,245 until June 30, 2036, bearing interest of 0.225%. The loan is guaranteed by the Province of Ontario under the Aboriginal Loan Guarantee Program.	16,574,927	18,024,212
Vancity Community Investment Bank Tranche B Term Loan interest and principal payments of \$656,518 until June 30, 2028, when a refinancing option is available. The term loan bear interest at 0.31%.	5,297,038	5,736,998
Equity loan agreement with Boralex Inc. interest capitalized until commercial operations achieved. Interest rate at 5.75% for the first five years of loan increasing by 1% every three years thereafter. Principal and interest rate repayments to be established after commercial operations date. Loan secured by the shares in 15801397 Canada Ltd.	10,022,055	-
	39,480,768	31,448,506
Less amounts due within one year	(5,116,308)	(2,261,454)
	\$ 34,364,460	\$ 29,187,052

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

10. Long-term debt (continued):

Principal repayments due in the next five years are as follows:

2026	\$	5,118,953
2027		2,419,133
2028		6,335,977
2029		2,017,052
2030 and thereafter		23,589,653
	\$	39,480,768

The Organization maintains an \$11,000,000 million demand credit facility. Currently the facility is not drawn upon. If drawn up the Organization has the ability convert the loan to a 60 month term loan at fixed or variable interest rate.

11. Deferred capital contributions:

	2025	2024
Balance, beginning of year	\$ 771,960	\$ 845,608
Current year additions	81,500	-
Amortization of deferred capital contributions	(73,649)	(73,648)
Balance, end of year	\$ 779,811	\$ 771,960

12. Share capital:

	2025	2024
Authorized:		
Unlimited number of common shares		
Issued:		
100 common shares	\$ 1	\$ 1

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

13. Invested in capital assets:

Net assets invested in capital assets is calculated as follows:

	2025	2024
Capital assets	\$ 10,093,001	\$ 11,070,820
Less deferred capital contributions	(779,811)	(771,960)
Less debt acquired to purchase capital assets	(20,672)	(45,979)
	<u>\$ 9,292,518</u>	<u>\$ 10,252,881</u>

14. Invested in economic interest projects:

Net assets invested in economic interest projects is calculated as follows:

	2025	2024
Investment in economic interest projects	\$ 79,546,662	\$ 68,361,246
Less debt	(39,460,096)	(31,402,527)
	<u>\$ 40,086,566</u>	<u>\$ 36,958,719</u>

15. Internally restricted reserves:

The Organization utilizes internally restricted reserves to manage its capital to ensure that funds are available for the repayment of its debt obligations, funding of capital projects and strategic investment portfolio.

	2025	2024
Future debt reduction and re-investment reserves:		
Growth fund reserve	\$ 17,169,357	\$ 14,605,373
Debt service reserve	6,051,610	3,070,316
Restricted operating reserve	1,000,000	1,000,000
Restricted working capital reserve	5,360,757	7,158,480
	<u>\$ 29,581,724</u>	<u>\$ 25,834,169</u>

The debt service reserve represents the principal and interest required to service debt in the next twelve months and amounts that are contractually required to be included in a reserve for debt repayment.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

15. Internally restricted reserves (continued):

The Growth Fund is utilized by the Organization for its strategic investments. The Growth Fund's inflows represent the Organization's allocation of the surplus free cash (distributions received) generated and certain revenues designated for investment purposes. The following is a continuity of the annual fund balance:

	2025	2024
Balance, beginning of year	\$ 14,605,373	\$ 16,037,011
Annual Distribution (Surplus Free Cash)	3,267,344	2,918,362
Dynamis Real Estate Partners IV Limited Partners	(1,000,000)	—
Seven Generations Growth Fund Commitment (note 6)	500,000	—
Seven Generations Growth Fund Investment (note 6)	(25,000)	—
First Nations Acquisition Corp (note 5)	(40,000)	—
3Datx Investment (note 6)	(138,310)	—
Civeo6 (note 6)	(50)	—
Hagersville Battery Energy Storage Development Fee	—	6,000,000
Lynx Equity Loan (note 5)	—	(10,000,000)
Nanashake Convertible Debenture (note 5)	—	(350,000)
Balance, end of year	\$ 17,169,357	\$ 14,605,373

In accordance with the terms of the Funding Agreement between EDT, SNGR and the Organization, the Organization retained \$3,267,344 (2024 - \$2,918,362) of Surplus Free Cash.

In 2019, a \$1,000,000 operating reserve was approved by the Board of Directors to ensure sufficient liquidity.

From its Annual Distribution the Organization has approved a 2026 Capital Expenditure plan of \$1,500,000 (2025 - \$1,375,943), of which \$585,000 (2025 - \$1,045,000) relates to new capital projects and \$915,000 (2024 - \$330,943) relates to capital projects from prior years.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

16. Distributions:

(a) Distributions payable to the Economic Development Trust:

	2025	2024
Balance, beginning of year	\$ 3,227,656	\$ 3,032,318
Distributions to beneficiaries during the year (note 15(b))	(646,491)	(1,112,067)
Distributions paid to SNGR elected council (note 18)	(2,334,690)	(1,607,988)
Designated future distributions	3,229,154	2,915,393
Balance, end of year	\$ 3,475,629	\$ 3,227,656

Each year, the net income of the Six Nations of the Grand River Master Trust is made payable to the Six Nations of the Grand River Economic Development Trust as at December 31. These funds are to be received at a future date and have been made payable to the beneficiaries of the Trust, Six Nations of the Grand River, via promissory note. In accordance with the funding formula agreed to, the post-audit surplus free cash of SNGRDC is made payable to the Trust, for future distribution to SNGR Elected Council and the community.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

16. Distributions (continued):

(b) Distributions to beneficiaries

	2025	2024
Approved distributions, beginning of the year	\$ 16,881	\$ 879,180
Additional approved distribution in 2025	674,845	345,801
Six Nations Language Commission	(317,318)	(365,000)
Kayanase	(14,054)	(214,845)
Campus Improvements at Six Nations Polytechnic	(115,233)	(73,269)
Six Nations Agriculture Society	(10,690)	(11,885)
Oliver M Smith Home & School	(14,950)	(13,298)
Two Row on the Grand	(14,725)	–
Stars of Tomorrow Alumni	(7,000)	–
Indian Defense League of America	(3,670)	–
Miss Indigenous Canada Committee	(7,500)	–
JC Hill Home & School Association	(15,000)	–
I.L Thomas	(15,000)	–
Dylan Isaacs Memorial Basketball Tournament Committee	(15,000)	–
Kawenni:io Gaweni:yo School	(15,000)	–
Six Nations Minor Lacrosse	(15,000)	–
Grand River Pow Wow	(15,000)	–
Emily C General Home & School Association	(15,000)	–
Haudenosaunee Sports Development Group	(2,608)	–
Tewateweyenhstha	(5,300)	–
The Everlasting Tree School	(10,375)	–
Six Nations Skating Club	(14,970)	–
Skate Park Lighting	(3,098)	–
Ganohkwasra FASS	–	(273,504)
Seneca Longhouse	–	(12,712)
Six Nations Library	–	(26,431)
The Golden Spoon	–	(15,000)
Six Nations Skydome Beaders	–	(15,000)
Six Nations Girls Field Lacrosse	–	(15,000)
Miles to Go Cancer Support Group	–	(15,000)
Two Rows on a Grand	–	(15,000)
Mohawk Chapel Royal Coat of Arms	–	(13,924)
The Muskrat Podcast	–	(12,000)
Ogwaya'dadogehsdoh – Alignrbody	–	(8,875)
Onondaga Language Collective	–	(6,325)
Six Nations Farmer's Association	–	(4,999)
Distribution made to beneficiaries during the year	(646,491)	(1,112,067)
Unclaimed funding to be allocated to future calls	(40,133)	(96,033)
Approved distributions, end of the year	\$ 5,102	\$ 16,881

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

16. Distributions (continued):

(b) Distributions to beneficiaries (continued):

Distributions are received from the Six Nations of the Grand River Development Corporation and Six Nations of the Grand River Master Trust. As the sole beneficiary of the Master Trust, the Six Nations of the Grand River Economic Development Trust is charged with awarding and investing these funds for the collective benefit of the Six Nations members.

17. Commitments:

The Organization is committed to minimum annual lease payments under various operating leases for office equipment, buildings and property. This includes the head lease agreement with SNGR for the lease of various buildings and property as well as the rooftop solar lease for 9250492 Canada Limited. The lease payment under operating leases is as follows:

2025	\$	1,255,363
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18. Corporate governance expenditures:

Corporate governance expenses of the Board of Directors are included in these consolidated financial statements.

	2025	2024
Honoria	\$ 205,293	\$ 206,212
Professional fee	–	5,000
Computer software/licenses	16,071	19,760
Insurance	8,483	3,601
Meetings	3,576	1,216
Advertising and promotion	289	289
Other	–	4,500
	\$ 233,712	\$ 240,578

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

18. Corporate governance expenditures (continued):

Six Nations of the Grand River Economic Development Trust expenses have been paid directly from the Trust property and are also included in these consolidated financial statements.

	2025	2024
Administration service fees	\$ 70,000	\$ 70,000
Professional fees	12,375	11,240
Computer equipment and software	7,553	7,195
Office and miscellaneous	5,029	4,517
Honoraria	-	4,250
	<u>\$ 94,957</u>	<u>\$ 97,202</u>

19. Distributions to SNGR Elected council:

	2025	2024
Approved distributions, beginning of the year	\$ 2,334,690	\$ 1,607,988
Distributions paid	(2,334,690)	(1,607,988)
Approved future distributions	2,613,876	2,334,690
Approved distributions, end of the year	<u>\$ 2,613,876</u>	<u>\$ 2,334,690</u>

20. Guarantees:

9710612 Canada Limited is the guarantor of the present and future obligation of NR Capital General Partnership, an entity under common control with FWRN LP. The amount of the present obligation of NR Capital General Partnership as at December 31, 2025 is \$608,904,000 (2024 - \$608,904,000). 9710612 Canada Limited's guarantee and exposure to financial risk is limited to the 5000 LP Units invested in FWRN LP, all interest, dividends and distributions received or receivable on the FWRN LP Units.

21. Financial instruments:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to the accounts receivable. The Organization assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. There is an increase in credit risk from 2024.

SIX NATIONS OF THE GRAND RIVER DEVELOPMENT CORPORATION

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2025

21. Financial instruments (continued)

(b) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Further details about long-term debt are included in note 9.

(c) Liquidity risk:

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Organization manages its liquidity risk by monitoring its operating requirements. The Organization prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There is a decrease in liquidity risk from 2024.

22. Comparative information:

Certain comparative information has been reclassified to conform with current year presentation.

23. Subsequent events:

On January 16, 2026, the Organization invested \$2,500,000 in EMF Highland Holdings LP, a real estate developer, to acquire a multi-story apartment complex in the Greater Toronto Area.

On March 12, 2026, the Organization agreed to acquire a parcel of land in Brant County, Ontario for \$1,100,000. On March 17, 2026 a deposit of \$100,000 was advanced. The transaction is expected close in May 2026.