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Doane Grant Thornton

Financial Statements

Rise Asset Development

April 30, 2026

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Doane Grant Thornton

Independent Auditor's Report

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To the Board of Directors of
Rise Asset Development

Opinion

We have audited the financial statements of **Rise Asset Development** ("Rise"), which comprise the statement of financial position as at April 30, 2026, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Rise** as at April 30, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

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 report. We are independent of Rise in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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 these financial statements in accordance with ASNPO, 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 financial statements, management is responsible for assessing Rise'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 Rise or to cease operations, or has no realistic alternative but to do so.

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

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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 these 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 Rise's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Rise'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 Rise 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.

We 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.

Doane Grant Thornton LLP

Toronto, Canada
October 5, 2026

Chartered Professional Accountants
Licensed Public Accountants

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Rise Asset Development
Statement of Operations and Changes in Net Assets
Year ended April 30

	Operating Fund	Internally Restricted Loan Capital Fund	Externally Restricted Loan Capital Fund	**2026 Total**	2025 Total
Revenue					
Donations and fundraising	$ 1,452,388	$ -	$ 134,260	**$ 1,586,648**	$ 2,353,246
Government funding					
Federal Ministry of Industry	419,330	-	-	**419,330**	609,826
Ontario Ministry of Children, Community and Social Services	200,000	-	-	**200,000**	200,000
Implicit interest benefit on loan payable (Note 6)	-	-	116,525	**116,525**	-
Interest from loans receivable	78,937	-	-	**78,937**	99,869
Interest from investments	11,569	-	-	**11,569**	13,761
	2,162,224	-	250,785	**2,413,009**	3,276,702
Expenses					
Administrative expenses					
Salaries and benefits	524,961	-	-	**524,961**	350,754
Rent and occupancy costs	79,713	-	-	**79,713**	78,207
Office and general	28,779	-	-	**28,779**	40,093
Implicit interest on loan payable (Note 6)	-	-	9,499	**9,499**	-
Audit and legal	17,615	-	-	**17,615**	19,872
Insurance	5,559	-	-	**5,559**	5,711
Bookkeeping and HR services	5,507	-	-	**5,507**	42,369
	662,134	-	9,499	**671,633**	537,006
Program expenses					
Salaries and benefits	1,201,212	-	-	**1,201,212**	1,276,281
Program costs	680,207	-	-	**680,207**	917,970
Bad debts	-	-	567,492	**567,492**	208,838
Marketing and promotion	58,164	-	-	**58,164**	120,372
Symposium and event costs	11,247	-	-	**11,247**	85,023
Delivery	6,660	-	-	**6,660**	8,802
Professional development	5,490	-	-	**5,490**	1,820
Consultants	1,200	-	-	**1,200**	21,827
	1,964,180	-	567,492	**2,531,672**	2,640,933
	2,626,314	-	576,991	**3,203,305**	3,177,939
(Deficiency) excess of revenue over expenses	(464,090)	-	(326,206)	**(790,296)**	98,763
Net assets, beginning of year	404,730	500,000	973,406	**1,878,136**	1,779,373
Transfer from internally restricted fund	134,260	(134,260)	-	**-**	-
Net assets, end of year	$ 74,900	$ 365,740	$ 647,200	**$ 1,087,840**	$ 1,878,136

See accompanying notes to the financial statements.

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Rise Asset Development
Statement of Financial Position

April 30	2026	2025
Assets		
Current		
Cash	**$ 377,388**	$ 590,203
Short-term investments (Note 3)	**500,000**	250,000
Accounts receivable (Note 8)	**53,114**	166,702
Prepaid expenses	**25,491**	22,334
Loans receivable (Notes 4 and 8)	**65,586**	41,890
	1,021,579	1,071,129
Investments (Note 3)	**250,000**	-
Loans receivable (Notes 4 and 8)	**524,294**	1,075,930
	$ 1,795,873	$ 2,147,059
Liabilities		
Current		
Accounts payable and accrued liabilities	**$ 213,726**	$ 173,923
Deferred contributions (Note 5)	**101,333**	95,000
	315,059	268,923
Loan payable (Note 6)	**392,974**	-
	708,033	268,923
Net assets		
Operating fund	**74,900**	404,730
Internally restricted loan capital fund	**365,740**	500,000
Externally restricted loan capital fund	**647,200**	973,406
	1,087,840	1,878,136
	$ 1,795,873	$ 2,147,059

Commitments (Note 7)

On behalf of the Board of Directors

DocuSigned by: Philippe Savoy 0A2C306237E3417... Director

Signed by: Alexandra Bellamy 10992946C11D491... Director

See accompanying notes to the financial statements.

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Rise Asset Development
Statement of Cash Flows

Year ended April 30	**2026**	2025
Increase (decrease) in cash		
Operating		
(Deficiency) excess of revenue over expenses	**$ (790,296)**	$ 98,763
Add items not involving cash		
Implicit interest benefit on loan payable	**(116,525)**	-
Implicit interest expense on loan payable	**9,499**	-
Bad debts	**567,492**	208,838
	(329,830)	307,601
Change in non-cash working capital items		
Accounts receivable	**113,588**	130,525
Prepaid expenses	**(3,157)**	(1,840)
Accounts payable and accrued liabilities	**39,803**	65,139
Deferred contributions	**6,333**	(158,150)
	(173,263)	343,275
Investing		
(Increase) decrease in investments (net)	**(500,000)**	11,887
Net change in loans receivable	**(39,552)**	(311,786)
	(539,552)	(299,899)
Financing		
Receipt of loan payable	**500,000**	-
(Decrease) increase in cash	**(212,815)**	43,376
Cash		
Beginning of year	**590,203**	546,827
End of year	**$ 377,388**	$ 590,203

See accompanying notes to the financial statements.

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Rise Asset Development
Notes to the Financial Statements
April 30, 2026

1. Nature of operations

Rise Asset Development ("Rise") was incorporated without share capital by letters patent on May 22, 2009 under the Canada Corporations Act and continued under the Canada Not-for-profit Corporations Act effective September 15, 2014. Rise obtained the status of a registered charity on May 1, 2010. Rise is a non-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

The purpose of Rise is to:

a) Relieve need amongst hard to employ persons recovering from mental illness and addiction by providing training, mentoring, support services and micro-loans to assist them in obtaining self-employment or employment and evaluating effectiveness.

b) Train and educate advisors and mentors on how to support persons with mental health and addiction issues and assist them in becoming self-employed or employed in the community.

c) Educate and increase public understanding of issues surrounding mental health and addiction and the supports needed to promote the self-sustainability of persons with mental health and addiction issues in the community.

2. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”). ASNPO requires entities to select policies appropriate for their circumstances from policies provided in these standards. The significant accounting policies selected by Rise and applied in these financial statements are as follows:

Fund accounting

Rise’s accounts are maintained in accordance with the principles of fund accounting, whereby net assets of Rise are classified for accounting and reporting purposes into funds to be used according to the directions of the donors or determined by Rise.

Operating fund
The operating fund accounts for the assets, liabilities, revenue and expenses of Rise related to its general operations and programs.

Internally restricted loan capital fund
The internally restricted loan capital fund consists of amounts determined by the Board of Directors to be specifically used to fund new loans.

Externally restricted loan capital fund
The externally restricted loan capital fund consists of amounts received by donors to be specifically used to fund new loans.

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2. Summary of significant accounting policies (continued)

Revenue recognition

Rise follows the restricted fund method of accounting for contributions. Externally restricted contributions with an associated externally restricted fund are recognized as revenue of that fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions for which there is no associated externally restricted fund are recorded as deferred contributions and recognized as revenue as the related expenses are incurred. Unrestricted contributions are recognized as revenue of the Operating fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

Interest income is recognized as earned.

Use of estimates

Certain items in the preparation of the financial statements require management's best estimate. Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned course of action.

These estimates are reviewed periodically, and adjustments are made to the excess (deficiency) of revenue over expenses as appropriate in the year they become known. Estimates include the allowance for doubtful accounts related to accounts receivable and loans receivable and certain accruals.

Financial instruments

Rise considers any contract creating a financial asset, liability or equity instrument as a financial instrument.

Rise's financial instruments consist of cash, short-term investments, accounts receivable, loans receivable, investments, accounts payable and loan payable. Rise initially measures its financial assets and liabilities at fair value. Rise subsequently measures all its financial assets and liabilities at amortized cost. As the loan payable is non-interest bearing, it is to be valuated at its present value.

3. Investments

Short-term investments consist of guaranteed investment certificates (GICs) that bear interest at an annual interest rate between 2.75% to 3.45% (2025 – 3.45%), maturing between January 17, 2027 to March 25, 2027 (2025 – January 17, 2026).

Investments consist of a GIC that bears interest at an annual interest rate of 1.75%, maturing June 25, 2027.

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4. Loans receivable

Rise provides micro-financing to individuals living with mental illness and addictions who are interested in pursuing self-employment. Interest rates charged on loans receivable is at Royal Bank's prime rate plus 2.5% at the time the loan is entered into with all loans secured by the assets of the business and terms ranging from one to five years.

The following table summarizes the loans receivable for future years:

2027	$ 65,586
2028	81,533
2029	132,615
2030	194,012
2031 and thereafter	116,134
	$ 589,880

The loans receivable balance includes gross loans receivable of $747,242 (2025 - $1,346,772) net of allowance of doubtful accounts of $157,362 (2025 - $228,952).

5. Deferred contributions

Deferred contributions, which are included in the operating fund, consist of restricted grant funding, donations and fundraising received that are to fund expenses in a subsequent period.

	2026	2025
Balance, beginning of year	**$ 95,000**	$ 253,150
Add: externally restricted contributions received	**1,521,590**	1,872,037
Less: revenue recognized	**(1,515,257)**	(2,030,187)
Balance, end of year	**$ 101,333**	$ 95,000

6. Loan payable

	2026	2025
Loan payable to a foundation, secured by a promissory note, non-interest bearing and payable in full by November 2030	**$ 500,000**	$ -
Less: discount representing the present value of loan payable at rate of 5.45%	**(107,026)**	-
	$ 392,974	$ -

Included in the statement of operations is the implicit interest benefit obtained on the discount when the loan payable was received as well as the implicit interest expense incurred during the year.

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7. Lease commitments

Rise rents office space with a lease expiration date of October 31, 2026.

The minimum commitment over the next two fiscal years is as follows:

2027	$	36,855
2028		35,100
2029		35,539
2030		35,978
2031		36,416
Thereafter		18,428
	$	198,316

Operating costs of the office space are charged on an annual basis.

8. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extended risk related to financial instruments. Rise is primarily exposed to interest rate, credit, and liquidity risks. There have been no changes to the nature of the risk exposure from prior year.

Interest rate risk

Interest rate risk is the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates. Rise is exposed to interest rate risk arising from its short-term investments, loans receivable and loan payable. Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities, loans receivable and loan payable of Rise. This risk is managed by ensuring holdings are low risk in nature.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. Rise is exposed to credit risk from its accounts and loans receivable. Rise monitors the credit risk and the credit rating of the participants of its microfinancing program on a regular basis and maintains an allowance where collectability is doubtful. As at April 30, 2026, the allowance for doubtful accounts for loans receivable and accounts receivable is $157,362 (2025 - $228,952) and $Nil (2025 - $Nil), respectively.

Liquidity risk

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

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9. Comparative figures

Certain comparatives figures have been reclassified from those previously presented to conform to the presentation of the fiscal 2026 financial statements.