

Consolidated Interim Financial Statements
(Expressed in thousands of Canadian dollars)

**LAND TITLE AND SURVEY AUTHORITY
OF BRITISH COLUMBIA**

Three and nine months ended December 31, 2025 and 2024
(Unaudited)

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Financial Position (unaudited)

(Expressed in thousands of Canadian dollars)

	December 31, 2025	March 31, 2025
Assets		
Current assets:		
Cash and cash equivalents (note 6)	\$ 12,396	\$ 17,022
Investments (note 7)	88,133	82,617
Funds held for customers	4,760	4,743
Trade and other receivables	1,884	1,031
Prepaid expenses	1,982	1,703
Total current assets	109,155	107,116
Property and equipment (note 8)	18,504	17,991
Intangible assets (note 9)	31,365	28,851
Long-term investments (note 7)	3,514	3,164
Goodwill (note 14)	2,481	1,910
Total non-current assets	55,864	51,916
Total Assets	\$ 165,019	\$ 159,032
Liabilities and Equity		
Current liabilities:		
Trade and other payables	\$ 4,606	\$ 3,026
Customer deposits held	4,760	4,743
Provisions	857	766
Employee benefits (note 10)	4,022	5,279
Contract liabilities (note 11)	1,995	1,976
Current lease liabilities (note 12)	1,302	1,465
Total current liabilities	17,542	17,255
Deferred tax liabilities	207	250
Contract liabilities (note 11)	-	544
Lease liabilities (note 12)	13,792	14,672
Total non-current liabilities	13,999	15,466
Total liabilities	31,541	32,721
Equity:		
Retained earnings	133,478	126,311
Total liabilities and equity	\$ 165,019	\$ 159,032

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Comprehensive Income (unaudited)
(Expressed in thousands of Canadian dollars)

Three and nine months ended December 31, 2025, with comparative information for 2024

	Three Months		Nine Months	
	2025	2024	2025	2024
Revenue:				
Examination services	\$ 6,472	\$ 6,343	\$ 21,118	\$ 19,937
Information products and subscriptions	5,138	4,520	15,691	14,581
Service fees	3,465	3,102	10,959	10,026
Total revenue	15,075	13,965	47,768	44,544
Cost of revenue (note 4):				
Cost of examination services	5,451	5,419	15,831	16,169
Cost of information products and subscriptions	1,343	1,336	3,902	3,986
Cost of service fees	2,718	1,671	7,966	5,196
Total cost of revenue	9,512	8,426	27,699	25,351
Gross income	5,563	5,539	20,069	19,193
Operating expenses (note 4):				
Research and development	2,805	1,800	7,292	5,478
Policy and regulation	1,447	1,197	4,162	3,887
General and administrative	2,343	2,281	6,606	6,701
Total operating expenses	6,595	5,278	18,060	16,066
Operating income (loss)	(1,032)	261	2,009	3,127
Other income (expenses)				
Lease interest	(171)	(188)	(524)	(292)
Bank charges and investment fees	(79)	(70)	(225)	(208)
Investment income (note 5)	1,621	840	6,181	6,012
Gain on disposal of property and equipment	5	241	8	244
Total other income	1,376	823	5,440	5,756
Income before income taxes	344	1,084	7,449	8,883
Income tax expense (recovery):				
Current	(65)	236	325	1,097
Deferred	38	(3)	(43)	(199)
Total income tax expense (recovery)	(27)	233	282	898
Net income and comprehensive income	\$ 371	\$ 851	\$ 7,167	\$ 7,985

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Changes in Equity (unaudited)

(Expressed in thousands of Canadian dollars)

Nine months ended December 31, 2025, with comparative information for 2024

	Unappropriated retained earnings	Assurance Fund reserve	Total retained earnings
Balance, April 1, 2024	\$ 112,191	\$ 6,000	\$ 118,191
Net income and comprehensive income	7,985	-	7,985
Balance, December 31, 2024	\$ 120,176	\$ 6,000	\$ 126,176
Balance, April 1, 2025	\$ 120,311	\$ 6,000	\$ 126,311
Net income and comprehensive income	7,167	-	7,167
Balance, December 31, 2025	\$ 127,478	\$ 6,000	\$ 133,478

See accompanying notes to the consolidated interim financial statements.

LAND TITLE AND SURVEY AUTHORITY OF BRITISH COLUMBIA

Consolidated Interim Statement of Cash Flows (unaudited)
(Expressed in thousands of Canadian dollars)

Three and nine months ended December 31, 2025, with comparative information for 2024

	Three Months		Nine Months	
	2025	2024	2025	2024
Cash flow from operating activities:				
Cash received for:				
Fees	\$ 14,999	\$ 13,723	\$ 47,016	\$ 44,073
Fees collected on behalf of the Province of BC	8,640	8,559	28,135	27,219
Fees collected on behalf of other parties	4,672	4,698	15,376	14,961
Interest	147	249	507	800
	28,458	27,229	91,034	87,053
Cash paid for:				
Salaries and benefits	(6,987)	(6,466)	(22,563)	(21,135)
Goods and services	(5,701)	(4,645)	(15,414)	(12,683)
Sales and income taxes	(829)	355	(2,440)	(918)
Fees submitted to the Province of BC	(8,771)	(8,666)	(28,283)	(27,366)
Fees submitted to other parties	(4,730)	(4,765)	(15,426)	(14,999)
	(27,018)	(24,187)	(84,126)	(77,101)
Total cash flow from operating activities	1,440	3,042	6,908	9,952
Cash flow from financing activities:				
Repayment of finance lease obligations	(317)	(404)	(1,148)	(1,463)
Lease interest	(171)	(188)	(524)	(292)
Total cash from financing activities	(488)	(592)	(1,672)	(1,755)
Cash flow from investing activities:				
Purchase of investments	(2,349)	(12,520)	(16,932)	(20,490)
Cash paid for business acquisition	(1,050)	-	(1,050)	-
Proceeds from sale or maturity of investments	904	10,195	13,716	17,897
Interest and dividend proceeds	1,390	1,995	2,869	2,826
Purchase of property and equipment, net	(199)	(72)	(1,848)	(299)
Purchase of intangible assets	(2,256)	(2,229)	(6,617)	(7,285)
Total cash from investing activities	(3,560)	(2,631)	(9,862)	(7,351)
Net increase (decrease) in cash and cash equivalents	(2,608)	(181)	(4,626)	846
Cash and cash equivalents, beginning of period	15,004	16,377	17,022	15,350
Cash and cash equivalents, end of period	\$ 12,396	\$ 16,196	\$ 12,396	\$ 16,196

See accompanying notes to the consolidated interim financial statements.

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Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2025, with comparative information for 2024

1. Nature of operations:

The Land Title and Survey Authority of British Columbia (the "LTSA") is an independent, not-for-profit corporation without share capital. It is established under the *Land Title and Survey Authority Act* and has responsibility for managing, operating and maintaining British Columbia's land title and land survey systems. Our corporate head office is located at Suite 210, 1321 Blanshard Street, Victoria, British Columbia. The LTSA's primary customers are legal professionals, land surveyors, certain statutory officers and other professionals who act on behalf of those who have an interest in conducting land-related transactions. Other stakeholders include all levels of government and First Nations, real estate professionals, financial institutions, historians, registry agents and other organizations, and the general public.

The LTSA operates independently from the provincial government, but must meet obligations and targets that the provincial government has established for it both in legislation and in a written Operating Agreement. The Operating Agreement has a term of 60 years, with the provision to renegotiate the revenue arrangement between the province and the LTSA every 10 years. The last operating review was performed in 2015.

2. Basis of presentation and statement of compliance:

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). They include the assets, liabilities, revenues and expenses of the LTSA and its wholly owned subsidiaries LandSure Systems Limited ("LandSure"), Autoprop Software Limited ("Autoprop") and Landcor Data Corporation ("Landcor"). All significant intercompany balances and transactions have been eliminated on consolidation.

These interim consolidated financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the LTSA's consolidated financial statements for the year ended March 31, 2025 which are included in the LTSA's 2025 financial report. The consolidated interim financial statements were authorized for issue on February 26, 2026 by the LTSA's Board of Directors.

3. Summary of significant accounting policies:

The significant accounting policies that have been applied, on a consistent basis, in the preparation of these interim consolidated financial statements are included in the LTSA's audited consolidated financial statements for the year ended March 31, 2025. Those accounting policies have been used throughout all periods presented in the interim consolidated financial statements and are prepared in accordance with IFRS.

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(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2025, with comparative information for 2024

4. Expenses:

	Three Months		Nine Months	
	2025	2024	2025	2024
Expenses by nature:				
Salaries and benefits	\$ 7,304	\$ 6,762	\$ 21,288	\$ 20,146
Information services	2,394	1,886	6,475	5,515
Office and business expenses	850	845	2,651	2,656
Building occupancy	363	406	1,172	1,170
Professional fees	2,790	1,341	6,781	4,404
Amortization of assets	2,406	2,464	7,392	7,526
	\$ 16,107	\$ 13,704	\$ 45,759	\$ 41,417
Expenses per Statement of Comprehensive Income:				
Cost of revenue	\$ 9,512	\$ 8,426	\$ 27,699	\$ 25,351
Operating expenses	6,595	5,278	18,060	16,066
	\$ 16,107	\$ 13,704	\$ 45,759	\$ 41,417

5. Investment income:

	Three Months		Nine Months	
	2025	2024	2025	2024
Interest and dividend income	\$ 1,527	\$ 2,236	\$ 3,357	\$ 3,617
Change in fair value of investments	87	(2,172)	2,301	1,518
Gain on disposal of investments	7	776	523	877
	\$ 1,621	\$ 840	\$ 6,181	\$ 6,012

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Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2025, with comparative information for 2024

6. Cash and cash equivalents:

	December 31, 2025	March 31, 2025
Cash in bank and on hand	\$ 12,222	\$ 17,022
Cash equivalents	174	-
	\$ 12,396	\$ 17,022

Included in cash in bank and on hand are fees payable to the Province of British Columbia of \$56 (March 31, 2025: \$204) and other fees payable of \$23 (March 31, 2025: \$73).

Under the terms of the Operating Agreement with the Province of British Columbia, the province's share of fees are collected on behalf of the province and must be remitted within one business day of collection. These amounts payable to the province are included in trade and other payables.

7. Financial Risk Management:

Fair value of financial instruments:

Fair value determination is classified within a three-level hierarchy, based on observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) 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 or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

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Notes to Consolidated Interim Financial Statements

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Three and nine months ended December 31, 2025, with comparative information for 2024

7. Financial Risk Management (continued):

The following tables present the financial instruments recorded at fair value in the consolidated statements of financial position classified using the fair value hierarchy described above:

Financial assets	Level 1	Level 2	Level 3	December 31, 2025
Investments:				
Pooled equity funds	\$ 27,281	\$ -	\$ -	\$ 27,281
Bonds	-	60,852	-	60,852
Total investments	\$ 27,281	\$ 60,852	\$ -	\$ 88,133
Long-Term Investments	-	3,514	-	3,514
	\$ 27,281	\$ 64,366	\$ -	\$ 91,647

Financial assets	Level 1	Level 2	Level 3	March 31, 2025
Investments:				
Pooled equity funds	\$ 24,073	\$ -	\$ -	\$ 24,073
Bonds	-	58,544	-	58,544
Total investments	\$ 24,073	\$ 58,544	\$ -	\$ 82,617
Long-Term Investments	-	3,164	-	3,164
	\$ 24,073	\$ 61,708	\$ -	\$ 85,781

During the quarter, no transfers occurred between levels.

Pooled equity funds are traded on an over-the-counter market and are valued at their closing bid price on the valuation date. Where a bid price is not available, they are valued at the closing sale price on the valuation date. Short-term notes and bonds which have quoted prices available but are not traded in an active market have been classified as Level 2 in the fair value hierarchy.

The long-term investments are comprised of an equity investment in a real estate venture builder partnership, as well as an equity investment in a building and development software company by LandSure. The investments have been classified as Level 2 investments in the fair value hierarchy using recent observable market transactions for the same securities. LandSure intends to hold these investments for an indeterminate period.

Due to their short-term nature, the carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value: cash and cash equivalents, funds held for customers, trade and other receivables, trade and other payables and other liabilities and provisions. These financial assets and liabilities are measured at amortized cost in the consolidated interim financial statements.

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Three and nine months ended December 31, 2025, with comparative information for 2024

8. Property and equipment:

	Vault storage systems	Technical equipment	Office furniture and equipment	Leasehold improvements	Right of use assets	Total
Cost:						
Balance, April 1, 2024	\$ 1,240	\$ 3,505	\$ 2,728	\$ 9,104	\$ 17,273	\$ 33,850
Additions	7	242	43	13	8,220	8,525
Disposals	-	(113)	-	-	(514)	(627)
Balance, Dec 31, 2024	\$ 1,247	\$ 3,634	\$ 2,771	\$ 9,117	\$ 24,979	\$ 41,748
Balance, April 1, 2025	\$ 1,248	\$ 3,700	\$ 2,700	\$ 9,392	\$ 24,979	\$ 42,019
Additions	5	409	104	1,881	99	2,498
Additions-Business Acquisition	-	6	1	-	-	7
Disposals	-	(169)	(9)	(868)	-	(1,046)
Balance, Dec 31, 2025	\$ 1,253	\$ 3,946	\$ 2,796	\$ 10,405	\$ 25,078	\$ 43,478
Amortization:						
Balance, April 1, 2024	\$ (829)	\$ (2,782)	\$ (2,126)	\$ (6,589)	\$ (8,893)	\$ (21,219)
Amortization	(84)	(363)	(151)	(535)	(1,266)	(2,399)
Disposals	-	207	-	-	-	207
Balance, Dec 31, 2024	\$ (913)	\$ (2,938)	\$ (2,277)	\$ (7,124)	\$ (10,159)	\$ (23,411)
Balance, April 1, 2025	\$ (941)	\$ (3,020)	\$ (2,275)	\$ (7,263)	\$ (10,529)	\$ (24,028)
Amortization	(83)	(281)	(136)	(376)	(1,114)	(1,990)
Disposals	-	167	9	868	-	1,044
Balance, Dec 31, 2025	\$ (1,024)	\$ (3,134)	\$ (2,402)	\$ (6,771)	\$ (11,643)	\$ (24,974)
Net book value:						
December 31, 2024	\$ 334	\$ 696	\$ 494	\$ 1,993	\$ 14,820	\$ 18,337
December 31, 2025	\$ 229	\$ 812	\$ 394	\$ 3,634	\$ 13,435	\$ 18,504

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Three and nine months ended December 31, 2025, with comparative information for 2024

9. Intangible assets:

	Software systems	Software systems under development	Cadastral fabric	Total
Cost:				
Balance, April 1, 2024	\$ 71,473	\$ 7,206	\$ 10,554	\$ 89,233
Additions	919	5,424	-	6,343
Transfers	8,166	(8,166)	-	-
Balance, Dec 31, 2024	\$ 80,558	\$ 4,464	\$ 10,554	\$ 95,576
Balance, April 1, 2025	\$ 82,257	\$ 4,822	\$ 10,554	\$ 97,633
Additions	-	6,372	-	6,372
Additions-Business Acquisition	1,544	-	-	1,544
Transfers	2,038	(2,038)	-	-
Balance, Dec 31, 2025	\$ 85,839	\$ 9,156	\$ 10,554	\$ 105,549
Amortization:				
Balance, April 1, 2024	\$ (56,552)	\$ -	\$ (5,260)	\$ (61,812)
Amortization	(4,697)	-	(525)	(5,222)
Balance, Dec 31, 2024	\$ (61,249)	\$ -	\$ (5,785)	\$ (67,034)
Balance, April 1, 2025	\$ (62,822)	\$ -	\$ (5,960)	\$ (68,782)
Amortization	(4,877)	-	(525)	(5,402)
Balance, Dec 31, 2025	\$ (67,699)	\$ -	\$ (6,485)	\$ (74,184)
Net book value:				
December 31, 2024	\$ 19,309	\$ 4,464	\$ 4,769	\$ 28,542
December 31, 2025	\$ 18,140	\$ 9,156	\$ 4,069	\$ 31,365

Intangible asset additions are internally generated and include payments to third party software developers. Software systems under development are primarily costs to align survey plan submission, develop the LTSA's underlying platform services technology, and build back office solutions to increase automation and reduce processing defects.

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Three and nine months ended December 31, 2025, with comparative information for 2024

10. Employee benefits:

The following amounts represent the LTSA's obligations to its current and former employees that are expected to be settled during the next twelve months:

	December 31, 2025	March 31, 2025
Salaries payable	\$ 2,639	\$ 3,738
Employee leave liability	1,211	1,421
Superannuation and group RRSP benefits	172	120
	\$ 4,022	\$ 5,279

Public service pension plan:

The LTSA paid \$268 and \$812 for employer contributions to the plan during the three and nine months ended December 31, 2025 which represents 0.1% of the total plan contributions (2024: \$268 and \$814).

Retirement benefit:

LandSure contributed up to 6.0% of employees' base salaries to group registered retirement savings plans. The amount recognized as an expense for the three and nine months ended December 31, 2025 was \$165 and \$482 (2024: \$147 and \$439).

11. Contract Liabilities:

Contract liabilities represents cash received from customers in excess of revenue recognized on incomplete contracts, more specifically relating to subscription contracts, software as a service fees for property tax deferral, as well as unprocessed examination services at period end. Examination services processing times are outlined in the LTSA's Operating Agreement performance targets. The majority of contract liabilities are expected to be realized within a period of 12 months.

	2025	2024
Balance, April 1	\$ 2,520	\$ 3,198
Additions to contract liabilities	1,180	1,152
Revenue recognized during the periods	(1,705)	(1,557)
Balance, December 31	\$ 1,995	\$ 2,793
Amount due for settlements within 12 months	\$ 1,995	\$ 2,045
Amount due for settlements after 12 months	-	748
Total	\$ 1,995	\$ 2,793

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(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2025, with comparative information for 2024

12. Lease Liabilities:

The LTSA incurs lease payments for certain assets under lease agreements consisting primarily of office buildings and office equipment.

The leases have interest rates ranging from 3.10% to 4.69% per annum and expire between December 2031 and September 2035.

	2025	2024
Balance, April 1	\$ 16,137	\$ 10,029
Additions	106	7,980
Payments	(1,673)	(1,756)
Interest	524	292
Balance, December 31	\$ 15,094	\$ 16,545
Amount due for settlements within 12 months	\$ 1,302	\$ 1,555
Amount due for settlements after 12 months	13,792	14,990
Total	\$ 15,094	\$ 16,545

The LTSA made payments of \$488 (2024: \$592) and interest was \$171 (2024: \$188) during the three months ended December 31, 2025.

13. Related party transactions:

Province of British Columbia:

The Province of British Columbia provincial ministries, central agencies and certain other organizations are exempt from the payment of LTSA fees. During the three and nine months ended December 31, 2025, the LTSA provided services to these organizations which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$5,075 and \$19,762 respectively (2024: \$4,231 and \$18,503).

Products and services acquired from the province for the three and nine months ended December 31, 2025 totaled \$127 and \$300 (2024: \$81 and \$203).

Real property taxation authorities:

Various real property taxation authorities are entitled to use the land title system free of charge for the administration of the taxation of real property. During the three and nine months ended December 31, 2025, the LTSA provided services to these authorities which, if assessed fees at the usual rates applicable to other entities, would have resulted in additional revenues of \$205 and \$686 respectively (2024: \$218 and \$782).

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Notes to Consolidated Interim Financial Statements

(Tabular amounts expressed in thousands of Canadian dollars, unless otherwise indicated)

Three and nine months ended December 31, 2025, with comparative information for 2024

14. Business Acquisition:

On October 17, 2025, Landsure purchased 100% of the shares of Landcor Data Corporation. Landcor provides property valuation tools and other specialized data reports. The acquisition is expected to enhance access to reliable property data. The aggregate purchase price totaled \$2.0 million plus the amount by which the closing working capital exceeds the target working capital or minus the amount by which the closing working capital is less than the target working capital. Landsure withheld holdback amounts totaling \$950 until certain conditions are met according to the Share Purchase Agreement. As of December 31, 2025, no amounts have been released to the vendor.

The acquisition has been accounted for using the acquisition method in accordance IFRS 3 – Business Combinations. Management is continuing to finalize the purchase price allocation, including the identification and valuation of acquired intangible assets and the related income tax impacts as well as the closing working capital calculation. Accordingly, the purchase price allocation presented below is preliminary and represents management's best estimate of the fair values of the assets acquired and liabilities assumed as at the reporting date.

	(preliminary)	
	October 17, 2025	
Fair value of purchase consideration:		
Cash paid at closing of business acquisition	\$	1,050
Holdbacks payable		950
Total purchase consideration	\$	2,000
Fair values of Landcor's assets acquired and liabilities assumed:		
Cash and cash equivalents	\$	40
Trade and other receivables		209
Other current assets		123
Property and equipment		7
Trade and other payables		(460)
Deferred revenue		(4)
Employee benefits		(30)
Total assets acquired and liabilities assumed		(115)
Values attributable to following booked under Landsure:		
Software systems	\$	1,544
Goodwill		571
Total	\$	2,000

Landcor has contributed revenue of \$390 and a net loss of \$113 to the consolidated financial results for the nine months ended December 31, 2025.