



**CONDENSED CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS**

**(Unaudited)**

**For the three months ended April 30, 2025 and 2024**

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102 “Continuous Disclosure Obligations”, if an auditor has not performed a review of the interim financial statements, the financial statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated 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 financial statements in accordance with standards established by CPA (Chartered Professional Accountants) Canada for a review of interim financial statements by an entity’s auditor.

# WALL FINANCIAL CORPORATION

Condensed Consolidated Interim Statements of Financial Position

(Unaudited)	April 30, 2025	January 31, 2025
<b>Assets</b>		
Investment properties	\$ 598,133,011	\$ 584,300,309
Property, plant, and equipment	102,514,676	103,614,278
Properties under development for sale	199,144,157	197,638,517
Deferred tax asset	479,072	340,308
Non-current assets	900,270,916	885,893,412
Current portion of properties under development for sale	12,095,858	18,026,237
Other assets	3,098,988	2,507,478
Income taxes receivable	564,423	-
Amounts receivable	6,681,144	10,144,741
Cash and cash equivalents	8,802,671	10,809,641
Current assets	31,243,084	41,488,097
	\$ 931,514,000	\$ 927,381,509
<b>Liabilities</b>		
Mortgages payable (note 4)	\$ 292,585,754	\$ 294,307,108
Deferred tax liabilities	14,016,798	13,771,889
Non-current liabilities	306,602,552	308,078,997
Current portion of mortgages payable (note 4)	81,649,574	82,711,916
Income taxes payable	177,451	645,245
Accounts payable and accrued liabilities	13,229,827	33,036,712
Deferred revenue	10,019,008	10,023,845
Deposits on real estate sales	-	281,053
Bank and other indebtedness (note 4)	232,002,517	211,502,065
Loan from shareholder	50,000,000	50,000,000
Current liabilities	387,078,377	388,200,836
	\$ 693,680,929	\$ 696,279,833
<b>Equity</b>		
Share capital	\$ 24,099,401	\$ 24,099,401
Contributed surplus	370,000	370,000
Retained earnings	162,125,503	156,444,782
Equity attributable to shareholders of the Company	186,594,904	180,914,183
Non-controlling interest	51,238,167	50,187,493
Total equity	237,833,071	231,101,676
	\$ 931,514,000	\$ 927,381,509

See accompanying notes to these condensed consolidated interim financial statements.

Approved on behalf of the Board:

“Bruno Wall” \_\_\_\_\_ Director

“Oliver Borgers” \_\_\_\_\_ Director

# WALL FINANCIAL CORPORATION

Condensed Consolidated Interim Statements of Earnings and Comprehensive Income

For the three months ended April 30, 2025 and 2024

(Unaudited)	2025	2024
Revenue (note 11)	\$ 42,639,556	\$ 35,837,624
Cost of sales and operating expenses	25,779,822	20,777,674
	16,859,734	15,059,950
Expenses:		
General and administration	762,404	1,006,669
Depreciation and amortization	2,929,487	3,197,674
	3,691,891	4,204,343
Net finance expense (income) (note 5):		
Investment and other income	(1,148,481)	(344,199)
Finance expense	6,234,495	6,916,078
	5,086,014	6,571,879
Earnings before income taxes	8,081,829	4,283,728
Income tax expense (recovery):		
Current	2,010,023	3,387,566
Deferred	106,145	(2,096,677)
	2,116,168	1,290,889
Net earnings and comprehensive income	\$ 5,965,661	\$ 2,992,839
Net earnings (loss) and comprehensive income (loss) attributable to:		
Shareholders of the Company	\$ 5,680,721	\$ 3,357,816
Non-controlling interests	284,940	(364,977)
	\$ 5,965,661	\$ 2,992,839
Basic and diluted earnings per share	\$ 0.18	\$ 0.10
Weighted average shares outstanding	32,094,165	32,304,336

See accompanying notes to these condensed consolidated interim financial statements.

# WALL FINANCIAL CORPORATION

Condensed Consolidated Interim Statements of Changes in Equity

For the three months ended April 30, 2025 and 2024

(Unaudited)	Attributable to shareholders of the company			Total	Non-controlling Interests	Total Equity
	Share Capital	Contributed surplus	Retained Earnings			
Balance at February 1, 2025	\$ 24,099,401	\$ 370,000	\$ 156,444,782	\$ 180,914,183	\$ 50,187,493	\$ 231,101,676
Net earnings (loss)	-	-	5,680,721	5,680,721	284,940	5,965,661
Contributions	-	-	-	-	1,408,571	1,408,571
Distributions	-	-	-	-	(642,837)	(642,837)
<b>Balance at April 30, 2025</b>	<b>\$ 24,099,401</b>	<b>\$ 370,000</b>	<b>\$ 162,125,503</b>	<b>\$ 186,594,904</b>	<b>\$ 51,238,167</b>	<b>\$ 237,833,071</b>
Balance at February 1, 2024	\$ 24,099,401	\$ 370,000	\$ 133,638,092	\$ 158,107,493	\$ 49,979,875	\$ 208,087,368
Net earnings (loss)	-	-	3,357,816	3,357,816	(364,977)	2,992,839
Share repurchases (note 9(b))	-	-	(1,002,928)	(1,002,928)	-	(1,002,928)
Contributions	-	-	-	-	488,611	488,611
<b>Balance at April 30, 2024</b>	<b>\$ 24,099,401</b>	<b>\$ 370,000</b>	<b>\$ 135,992,980</b>	<b>\$ 160,462,381</b>	<b>\$ 50,103,509</b>	<b>\$ 210,565,890</b>

See accompanying notes to these condensed consolidated interim financial statements.

# WALL FINANCIAL CORPORATION

Condensed Consolidated Interim Statements of Cash Flows

For the three months ended April 30, 2025 and 2024

(Unaudited)	2025	2024
Cash provided by (used in):		
Operating activities:		
Net earnings	\$ 5,965,661	\$ 2,992,839
Adjustments for items not involving cash:		
Depreciation	2,929,487	3,197,674
Deferred income tax recovery	106,145	(2,096,677)
Current income tax expense	2,010,023	3,387,566
Finance costs	6,234,495	6,916,078
	17,245,811	14,397,480
Recovery of costs through real estate sales	6,324,512	-
Additions to development properties	(1,899,773)	(26,678,373)
Interest paid	(6,501,832)	(8,022,842)
Income taxes paid	(3,042,240)	(13,341,455)
Deposits on real estate sales	(281,053)	-
Changes in non-cash operating working capital:		
Amounts receivable	3,463,597	1,842,132
Accounts payable and accrued liabilities	(6,901,594)	(773,494)
Deferred revenue	(4,837)	1,341,689
Inventory	38,374	(36,707)
Deposits and other assets	(632,800)	(1,463,707)
	7,808,165	(32,735,277)
Investing activities:		
Additions to investment properties	(15,169,961)	(1,394,967)
Acquisition of investment properties	-	(4,634,145)
Changes in non-cash working capital related to investing activities	(12,905,291)	(1,859,446)
Additions to property, plant, and equipment	(54,477)	(264,440)
	(28,129,729)	(8,152,998)
Financing activities:		
Repayment of loan from shareholder	-	(100,000,000)
Payment of financing fees	(51,515)	(22,537)
Repayment of mortgages payable	(2,900,077)	(2,470,950)
Proceeds from bank and other indebtedness	46,200,452	137,239,635
Repayment of bank and other indebtedness	(25,700,000)	-
Contributions from non-controlling interest	1,408,571	488,611
Distributions to non-controlling interest	(642,837)	-
Share repurchase	-	(1,002,928)
	18,314,594	34,231,831
Decrease in cash and cash equivalents	(2,006,970)	(6,656,444)
Cash and cash equivalents, beginning of period	10,809,641	22,788,744
Cash and cash equivalents, end of period	\$ 8,802,671	\$ 16,132,300

See accompanying notes to condensed consolidated interim financial statements.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

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## 1. Reporting entity:

Wall Financial Corporation (“WFC”) is a publicly listed company incorporated under the British Columbia Business Corporations Act. Its shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol “WFC”.

These condensed consolidated interim financial statements comprise WFC and its subsidiaries (together referred to as the “Company”), and the Company’s interests in joint ventures. The Company predominantly operates in the greater Vancouver area of British Columbia in the development and management of residential and commercial rental units, development and construction of residential housing for re-sale, and the development and management of hotel properties.

The registered office of the Company is located at 10<sup>th</sup> Floor, 938 Howe Street, Vancouver, BC V6Z 1N9, Canada.

## 2. Basis of presentation:

### (a) Statement of compliance:

These condensed consolidated interim financial statements (“Interim Financial Statements”) and the notes thereto have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). These Interim Financial Statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s consolidated financial statements for the years ended January 31, 2025 and 2024 (“Annual Audited Financial Statements”), which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB.

The Company’s quarterly results are impacted by the cyclical nature of the Company’s business. Revenues and other income can fluctuate significantly from period to period due to the timing and quantity of closings of residential and commercial units at the development properties. Assets can fluctuate due to the amount of development activities undertaken by the Company and are also impacted by the acquisitions and dispositions of rental properties, which the Company will manage and review on an ongoing basis to maximize value for shareholders. Dividends fluctuate as the Company is on a flexible dividend policy; the amount and timing of dividends will be based on the Company’s availability of and need for cash.

These Interim Financial Statements were approved by the Company’s Board of Directors on June 12, 2025, and are the responsibility of the Company’s management.

### (b) Basis of measurement:

These Interim Financial Statements are presented in Canadian dollars, which is also the functional currency of each of the Company’s subsidiaries, and have been prepared on the historical cost basis.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

## 2. Basis of presentation (continued):

### (c) Use of estimates and judgements:

In preparing these Interim Financial Statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, and the reported amounts of revenues and expense. The significant judgements made by management in applying the Company's accounting policies and key estimates are disclosed in note 2 of the Annual Audited Financial Statements. There have been no changes to the significant accounting estimates and assumptions during the three months ended April 30, 2025. Actual results may differ from those estimates.

## 3. Material accounting policies:

These Interim Financial Statements were prepared using the same accounting policies and methods as those used in the Annual Audited Financial Statements

The Company adopted the amended accounting standard IAS 21, Lack of Exchangeability when it became effective on February 1, 2025. The adoption of this amendment does not have any material impact on the Company's financial statements.

## 4. Debt on properties:

	April 30, 2025	January 31, 2025
Bank and other indebtedness:		
Properties under development	\$ 42,302,065	\$ 42,302,065
Investment properties	103,700,452	83,000,000
General corporate debt	86,000,000	86,200,000
Total bank and other indebtedness	232,002,517	211,502,065
Mortgages payable:		
Investment properties	335,481,876	337,407,727
Property, plant and equipment	45,359,147	46,333,373
	380,841,023	383,741,100
Less: deferred financing fees	(6,605,695)	(6,722,076)
	374,235,328	377,019,024
Less: current portion of mortgages payable	(81,649,574)	(82,711,916)
Non-current portion of mortgages payable	\$ 292,585,754	\$ 294,307,108

### (a) Bank and other indebtedness on properties under development:

As April 30, 2025 the Company had outstanding borrowings of \$42,302,065 (January 31, 2025 - \$42,302,065) on available construction financing facilities in the form of Canadian dollar prime rate loans, and Canadian Overnight Repo Rate Average loans. The maximum available funding under such facilities is \$42,302,065 (January 31, 2025 - \$42,302,065). The credit facilities are secured by first mortgages and assignment of insurance proceeds on the related properties. The borrowings are due on demand.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

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## 4. Debt on properties (continued):

### (b) Bank and other indebtedness on investment properties:

As April 30, 2025 the Company had outstanding borrowings of \$103,700,452 (January 31, 2025 - \$83,000,000) on available credit facilities in the form of Canadian dollar prime rate loans, and Canadian Overnight Rep Rate Average loans. The maximum available funding under such facilities is \$213,093,612 (January 31, 2025 - \$83,000,000). The credit facilities are secured by first mortgages and assignment of rents and insurance proceeds on the related properties. The borrowings are due on demand.

### (c) General corporate debt:

At April 30, 2025, the Company's borrowings of \$86,000,000 (January 31, 2025 - \$86,200,000) are made available by way of lines of credit with an available aggregate amount of \$162,844,000 (January 31, 2025 - \$166,077,000). The debt is secured by second mortgages, and an assignment of rents on certain investment properties, and property, plant, and equipment. The borrowings are due on demand.

### (d) Mortgages payable:

Mortgages payable on investment properties of \$335,481,876 (January 31, 2025 - \$337,407,727) bear interest at fixed rates ranging from 1.48% to 4.80% (January 31, 2025 - 1.48% to 4.80%) with one variable rate mortgage at a Canadian prime rate plus 0.6% equivalent to 5.55% (January 31, 2025 - 5.80%).

As at April 30, 2025, the mortgage payable on property, plant and equipment of \$45,359,147 (January 31, 2025 - \$46,333,373). As at April 30, 2025, this mortgage bears interest at 5.10% (January 31, 2025 - 5.68%) An additional amount of \$50,000,000 is available to the Company and can be drawn at any time but not after June 30, 2025.

All mortgages are secured by first and second fixed charges over the Company's properties under development for sale, investment properties, and property, plant, and equipment.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

## 5. Net finance expense (income):

	Three months ended April 30,	
	2025	2024
Finance income:		
Investment income	\$ 908,534	\$ 14,613
Interest income	239,947	329,586
	<u>1,148,481</u>	<u>344,199</u>
Finance costs:		
Interest on:		
Bank and other indebtedness	4,172,097	5,580,113
Mortgages payable	2,497,631	2,625,169
	<u>6,669,728</u>	<u>8,205,282</u>
Interest capitalized to properties under development for sale and investment properties	(435,233)	(1,289,204)
	<u>6,234,495</u>	<u>6,916,078</u>
Net finance cost	\$ 5,086,014	\$ 6,571,879

## 6. Financial instruments:

The carrying values of the Company's cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, approximate their fair values due to the short-term nature of these financial assets and liabilities. The face value of bank and other indebtedness approximates its fair value, as it is due on demand. Management estimates that these differences are not material to the consolidated financial statements.

The fair value of mortgages payable is estimated by discounting the future contractual cash flows at the market interest rate that is available to the Company for similar financial instruments. The fair value of the mortgages payable at April 30, 2025 was \$366,298,000 (January 31, 2025 - \$371,917,000).

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of mortgages payable is considered Level 2 and investment properties are considered Level 3.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

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## 7. Investment properties:

On April 12 2024, the Company funded an additional payment of \$4,000,000 for an investment property that was initially purchased on January 31, 2023. The purchase agreement had a contingent payment due upon rezoning of the site and the determination of its density. The rezoning was approved in principle in March 2024. On March 1, 2024 the Company purchased one residential strata unit for \$620,000. On March 25, 2024, the Company purchased one commercial strata unit for \$1,525,000.

## 8. Properties under development for sale:

On April 30, 2024, the Company purchased land for \$23,700,000.

## 9. Comparative information:

During the preparation of the financial statements for the period ended April 30, 2025, the Company has adjusted its comparative information to present deferred revenue of \$10,023,845 separate from accounts payable and accrued liabilities and changes in non-cash working capital related to investing activities amounting to \$1,859,446 separate from changes in non-cash working capital.

## 10. Subsequent events:

On May 20, 2025, the TSX accepted the Company's notice of intention to commence with a new NCIB which allows the Company to repurchase, at its discretion, up to 660,992 Common Shares in the market or as otherwise permitted by the TSX and applicable Canadian securities laws, subject to normal terms and limitations (the "2025 NCIB"). Common Shares purchased by the Company will be cancelled. On March 20, 2025, the Company entered into an ASPP with a broker that allows the purchase of Common Shares for cancellation under the 2025 NCIB at any time during predetermined trading blackout periods. The Company purchased 8,300 Common Shares from May 20<sup>th</sup> to June 12<sup>th</sup> under the 2025 NCIB at a weighted average price of \$14.78 per Common Share.

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

## 11. Segment disclosures:

The Company operates in three different segments of the real estate industry: ownership and management of revenue-producing residential and commercial properties (“Rental”), ownership and management of hotel properties (“Hotel”), and the development and sale of residential housing (“Development”). Operating performance of the Company is evaluated primarily based on the net operating income of these three segments. Centrally managed expenses such as interest, amortization, and general administrative costs are not included or allocated to the operating segment results.

The following summarizes the Company’s assets as at April 30, 2025 and January 31, 2025:

	April 30, 2025	January 31, 2025
Identifiable assets:		
Properties:		
Investment properties (Rental)	\$ 601,330,529	\$ 592,582,256
Property, plant, and equipment (Hotel)	111,786,726	112,886,729
Properties under development for sale (Development)	214,641,920	219,310,860
	<u>927,759,175</u>	<u>924,779,845</u>
Corporate	3,754,825	2,601,664
	<u>\$ 931,514,000</u>	<u>\$ 927,381,509</u>

# WALL FINANCIAL CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

For the three months ended April 30, 2025 and 2024  
(unaudited)

## 11. Segment disclosures (continued):

The following summarizes the Company's operating results for the three months ended April 30, 2025 and 2024:

	Rental		Hotel		Development		Corporate		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue	\$ 11,650,943	\$11,982,088	\$23,102,637	\$23,600,693	\$ 7,885,976	\$ 254,843	\$ -	\$ -	\$42,639,556	\$ 35,837,624
Cost of sales and operating expenses	3,182,319	3,319,599	15,870,958	17,288,540	6,726,545	169,535	-	-	25,779,822	20,777,674
General and administrative	21,462	56,094	-	-	10,895	16,367	730,047	934,208	762,404	1,006,669
Depreciation expense	1,772,492	1,843,059	1,154,079	1,351,516	-	-	2,916	3,099	2,929,487	3,197,674
Net earnings (loss) before taxes	4,249,092	2,760,143	6,077,138	4,960,637	833,275	(560,355)	(3,077,676)	(2,876,697)	8,081,829	4,283,728