BUILDING ONTARIO FUND

Audited Consolidated Financial Statements
for the year ended
March 31, 2026

Consolidated Financial Statements

Management's Responsibility for Financial Information

Management of the Building Ontario Fund ("BOF") is responsible for the integrity, consistency, objectivity and reliability of the consolidated financial statements. These consolidated financial statements were prepared in accordance with Canadian public sector accounting standards. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that financial information is relevant, reliable and accurate, and that assets are properly accounted for and safeguarded. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board of Directors, through the Finance, Risk and Audit Committee (FRAC), is responsible for ensuring management fulfils its responsibilities for financial reporting and internal controls. The FRAC meets regularly with management to deal with issues raised by them and to review the consolidated financial statements before recommending approval by the Board.

The Office of the Auditor General of Ontario ("OAGO"), appointed by our Board, has audited the consolidated financial statements in accordance with Canadian generally accepted auditing standards, as stated in their Independent Auditor's Report. The OAGO has full and unrestricted access to the FRAC to discuss their audit and related findings.

On behalf of Management:

Michael Fedchyshyn
Chief Executive Officer
06-23-2026

Inna Kravitz
Chief Financial Officer
06-23-2026

Office of the Auditor General of Ontario
Bureau du vérificateur général de l'Ontario

20 Dundas Street West, Suite 1530,
Toronto, Ontario, M5G 2C2

20, rue Dundas Ouest, bureau 1530,
Toronto (Ontario) M5G 2C2

416-327-2381
www.auditor.on.ca

INDEPENDENT AUDITOR'S REPORT

To the Board of the Building Ontario Fund

Opinion

I have audited the consolidated financial statements of the Building Ontario Fund, which comprise the consolidated statement of financial position as at March 31, 2026 and the consolidated statement of operations, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Building Ontario Fund as at March 31, 2026, and the results of its consolidated operations, consolidated changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Building Ontario Fund in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 Building Ontario Fund'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 the Building Ontario Fund either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Building Ontario Fund's consolidated financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 my 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 my 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 Building Ontario Fund'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 the Building Ontario Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Building Ontario Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

Toronto, Ontario
June 23, 2026

Jeremy Blair, CPA, CA, LPA
Assistant Auditor General

BUILDING ONTARIO FUND

Consolidated Statement of Financial Position

As at March 31 **(Thousands of Canadian dollars)**	**2026**	2025
Financial assets		
Cash and cash equivalents	**358,374**	1,548
Accounts receivable *(Note 4)*	**1,319**	493
Loans receivable *(Note 5)*	**98,648**	-
Total financial assets	**458,341**	2,041
Liabilities		
Accounts payable and accrued liabilities *(Note 6, Note 11)*	**5,552**	1,285
Unearned revenue *(Note 11d)*	**651**	-
Total liabilities	**6,203**	1,285
Net financial assets	**452,138**	756
Non-financial assets		
Tangible capital assets *(Note 7)*	**212**	113
Prepaid expenses	**643**	8
Total non-financial assets	**855**	121
Accumulated surplus		
Accumulated operating surplus	**452,993**	877
Total accumulated surplus	**452,993**	877

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

Helen Bobiwash

Helen Bobiwash, FCPA, FCMA
Chair – Finance, Risk & Audit Committee

Brian J. Porter
Chair of the Board of Directors

BUILDING ONTARIO FUND

Consolidated Statement of Operations

For the year ended March 31 (Thousands of Canadian dollars)	**2026**	2025
Revenues		
Government transfers	**468,739**	6,160
Interest income	**8,130**	51
Loan administration and other fees	**1,174**	-
Recovery of transaction costs	**601**	-
Total revenues	**478,644**	6,211
Expenses		
Salaries, wages and benefits	**13,297**	2,981
Professional services	**11,221**	2,036
Supplies, facilities and other	**1,637**	301
Valuation allowance *(Note 5)*	**330**	-
Amortization of tangible capital assets	**43**	16
Total expenses	**26,528**	5,334
Operating surplus	**452,116**	877
Accumulated operating surplus, beginning of year	**877**	-
Accumulated operating surplus, end of year	**452,993**	877

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

BUILDING ONTARIO FUND

Consolidated Statement of Change in Net Financial Assets

For the year ended March 31 (Thousands of Canadian dollars)	2026	2025
Operating surplus	**452,116**	877
Tangible capital assets		
Acquisition of tangible capital assets *(Note 7)*	**(142)**	(129)
Amortization of tangible capital assets *(Note 7)*	**43**	16
Changes attributable to tangible capital assets	**(99)**	(113)
Other non-financial assets		
Increase in prepaid expenses	**(635)**	(8)
Changes attributable to other non-financial assets	**(635)**	(8)
Increase in net financial assets	**451,382**	756
Net financial assets, beginning of year	**756**	–
Net financial assets, end of year	**452,138**	756

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

BUILDING ONTARIO FUND
Consolidated Statement of Cash Flows

For the year ended March 31 (Thousands of Canadian dollars)	2026	2025
Cash flows from operating activities		
Operating surplus	**452,116**	877
Adjustments for non-cash items		
Amortization of tangible capital assets	**43**	16
Valuation allowance	**330**	-
Changes in working capital items		
(Increase)/decrease in accounts receivable	**(826)**	(493)
(Increase)/decrease in prepaid expenses	**(635)**	(8)
Increase/(decrease) in accounts payable and accrued liabilities	**4,267**	1,285
Increase/(decrease) in unearned revenue	**651**	-
Net cash flows from operating activities	**455,946**	1,677
Cash flows from capital activities		
Acquisition of tangible capital assets	**(142)**	(129)
Net cash flows used in capital activities	**(142)**	(129)
Cash flows from investing activities		
Issuance of loans	**(98,978)**	-
Net cash flows used in investing activities	**(98,978)**	-
Net increase in cash and cash equivalents	**356,826**	1,548
Cash and cash equivalents, beginning of year	**1,548**	-
Cash and cash equivalents, end of year	**358,374**	1,548
Cash	**358,364**	1,542
Cash equivalents	**10**	6

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

1. NATURE OF OPERATIONS

The Building Ontario Fund ("BOF") was established on November 22, 2023 as the "Ontario Infrastructure Bank" under the *Development Corporations Act*. It was then continued as the Building Ontario Fund on May 16, 2024 under the *Building Ontario Fund Act, 2024* (the "Act").

BOF's mandate, as set out in the Act, is to invest and attract investment from qualified institutional investors, public sector entities, governments and Indigenous partners, with priority given to Canadian investors. Investments are directed to Ontario infrastructure projects in government-identified priority areas to generate revenue and serve the public interest.

BOF will carry out its mandate by (a) investing in infrastructure and appropriately allocating risks amongst the agency and other investors; (b) structuring proposals and negotiating agreements with investors in infrastructure projects; (c) receiving and assessing unsolicited ideas and proposals for infrastructure projects that come from qualified institutional investors, public sector entities, governments and/or Indigenous partners; (d) providing advisory services with respect to financing infrastructure projects, including loan structures and areas of investment opportunity; and (e) administering the Indigenous Opportunities Financing Program ("IOFP") on behalf of the Province of Ontario.

The consolidated financial statements include BOF DNNP Limited, a wholly owned subsidiary incorporated under the *Ontario Business Corporations Act* on February 3, 2026. BOF DNNP Limited will hold the equity interest in the Darlington New Nuclear Project ("DNNP") upon close of the transaction. Additional information is provided in *Note 13a*.

BOF and BOF DNNP Limited, as a Crown agency and its wholly owned subsidiary are exempt from federal and provincial income taxes under section 149(1)(d) and (d.2) the *Income Tax Act (Canada)*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

These consolidated financial statements have been prepared in accordance with public sector accounting standards ("PSAS") established by the Canadian Public Sector Accounting Board.

A consolidated statement of remeasurement gains and losses has not been presented as there is nothing to report therein.

A comparison between budget and actual has been excluded, as the Board of Directors has not approved a budget by specific expense categories, reflecting BOF's status as a start-up entity. As a result, no comparable budget information is available for the 2025-26 fiscal year.

The significant accounting policies used to prepare these consolidated financial statements are summarized below.

(b) Reporting Entity

BOF's wholly owned subsidiary, BOF DNNP Limited, is consolidated on a line-by-line basis with the assets, liabilities, revenues, expenses, and remeasurement gains and losses of BOF based on the percentage of ownership BOF held during the fiscal year. Where appropriate, adjustments are also made to present the accounts of these organizations on a basis consistent with the fiscal year end and accounting policies of BOF, and to eliminate significant intercompany accounts and transactions.

BOF DNNP Limited had no transactions for the year ended March 31, 2026.

(c) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, as described below. All revenues are recorded on an accrual basis.

(i) Government transfers

BOF receives both operating and capital funding in accordance with a Funding Directive established by the Ministry of Finance (the "Ministry").

BOF has determined that the funding received from the Ministry are transfers without eligibility criteria. These transfers can be used at the sole discretion of BOF and can be carried forward indefinitely for investment projects. Revenue is recognized in the consolidated statement of operations when the transfers are authorized by the Ministry.

(ii) Interest income

Interest income includes interest earned from financial instruments, including loans receivable, and cash, and is recognized using the effective interest rate method.

(iii) Loan administration fees

BOF administers loan guarantee arrangements on behalf of the Ministry. Revenue from providing these services is recognized in the period in which services are rendered and in the amount to which BOF is entitled for payment for performance to date.

(iv) Recovery of transaction costs

Recovery of transaction costs represents project related costs including legal, advisory and other transaction fees that are recoverable pursuant to the terms of the related credit agreements. Recoveries are recognized as the related transaction costs are incurred, when entitlement to recovery has been established and collectability is reasonably assured.

(d) Expenses

Expenses are recorded on an accrual basis. Expenses are recognized in the fiscal year when the events give rise to the expenses occur and resources are consumed.

(e) Financial instruments

Financial assets and financial liabilities are recognized on the consolidated statement of financial position when BOF becomes a party to the contractual provisions of the financial instrument. BOF derecognizes a financial asset when the contractual rights to the cash flows from the asset are settled. BOF derecognizes a financial liability or part of a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

(i) Cash and cash equivalents

Cash and cash equivalents include cash or other short-term, liquid, low-risk instruments that are readily convertible to cash. Cash and cash equivalents are measured at cost or amortized cost.

(ii) Loans receivable

Loans receivable are initially recorded at cost at the time funds are advanced, and subsequently measured at amortized cost, net of any loan valuation allowances and write-offs.

Eligible transaction costs are included as part of the initial carrying value of the loan receivable and amortized to income, based on the effective interest rate method.

Interest earned from loans receivable is recognized using the effective interest rate method in the period that it is earned. The effective interest rate is the rate that discounts the estimated future cash payments or receipts over the expected life of the loan or, where appropriate, a shorter period. Interest revenue ceases to be accrued on loans receivable when the collectability of either principal or interest is not reasonably assured.

(iii) Other financial instruments

BOF's accounts receivable and accounts payable and accrued liabilities are measured at amortized cost.

(f) Valuation allowance

A valuation allowance is recorded for loans based on management's assessment of economic conditions, industry trends, and borrower-specific risk factors. The valuation allowance reflects management's estimate of the non-recoverable portion of the loan balances and is determined through a risk-rating model applied at loan origination. The valuation allowance is reassessed on an ongoing basis and adjusted at each reporting date to reflect changes in the borrower's credit risk and the outstanding loan balance. Changes in the valuation allowance are recognized as an expense in the consolidated statement of operations.

When the amount of loss can be reasonably estimated and recovery is no longer considered likely, the loan receivable is written off to its estimated recoverable amount. Losses from the write-off of loans are not reversed.

(g) Tangible capital assets

Tangible capital assets are recorded at cost, less accumulated amortization and write-off, if any. Cost includes the costs directly related to the acquisition, design, construction, development, improvement or betterment. Assets under construction are not amortized until construction is complete and the assets are ready for their intended use.

Tangible capital assets are written down when an asset is retired or abandoned, no longer contribute to BOF's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The write-downs are accounted for as an expense in the consolidated statement of operations.

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Information technology	3-5 years

(h) Employee future benefits

BOF is a participating employer in the Public Service Pension Plan ("PSPP"), which is a multi-employer defined benefit pension plan that is solely sponsored by the Province of Ontario. When benefits are provided to employees through a multi-employer defined benefit plan, each entity participating in the plan, other than the sponsoring entity, is required to follow the standards for defined contribution plans. As a result, BOF recognizes an expense equal to the amount of required contributions provided for employees' services rendered during the period. Any outstanding contributions are recognized as a liability in the consolidated statement of financial position.

(i) Inter-entity transactions

Inter-entity transactions are transactions occurring between commonly controlled entities by the Province of Ontario. These transactions are measured at the exchange amount, which is the amount of consideration and agreed to by the related parties.

(j) Measurement uncertainty

The preparation of financial statements, in accordance with PSAS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the disclosure of contingent assets and liabilities, as well as the reported amounts of revenues and expenses during the reporting period.

Management determines BOF's valuation allowance using BOF's credit rating methodology based on assumptions and other primary factors as described in *Note 3*. Any differences between actual outcomes and these estimates are recognized in future periods when known. Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. By their nature, estimates are subject to measurement uncertainty exists in these consolidated financial statements. Therefore, actual results may differ materially from the estimates.

(k) Future changes in accounting standards

At the date of the consolidated financial statements, BOF has not applied the following new and revised PSAS that have been issued but are not yet effective.

The Conceptual Framework for Financial Reporting in the Public Sector

The new Conceptual Framework provides a meaningful foundation for formulating consistent financial reporting standards. The Conceptual Framework will replace current guidance in Section PS 1000 and Section PS 1100. A Conceptual Framework is a coherent set of interrelated concepts underlying accounting and financial reporting standards. It prescribes the nature, function and limits of financial accounting and reporting. It is the foundation on which standards are developed and professional judgment is applied. While the impact of any changes on BOF's consolidated financial statements is not reasonably determinable at this time, BOF intends to implement the Conceptual Framework effective April 1, 2026, for the fiscal year 2026-27.

Section PS 1202 – Financial Statement Presentation

The new standard provides updated guidance on the general and specific requirements for the presentation of information in general purpose financial statements. Section PS 1202 will replace Section PS 1201. While the impact of any changes on BOF's consolidated financial statements is not reasonably determinable at this time, BOF intends to implement the standard effective April 1, 2026, for the fiscal year 2026-27.

3. FINANCIAL RISK MANAGEMENT

BOF is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. BOF's Board of Directors is responsible for establishing and overseeing BOF's risk management framework and approving related policies.

(a) Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate to cause changes in market prices. BOF's exposure to market risk is primarily 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. BOF's exposure to interest rate risk arises, mainly from cash and variable-rate loans receivable. As interest rates change, the interest income earned on these loans fluctuates, which causes variability in BOF's investment income. BOF manages its exposure to interest rate risk through its investment practices and by monitoring the level of variable-rate exposure. For the year ended March 31, 2026, there were no funds advanced to projects that had a variable interest rate (March 31, 2025 - $nil).

All BOF's loans receivable are recognized at amortized cost and are not directly subject to changes in fair value from interest rate risk.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. BOF is exposed to credit risk on cash and cash equivalents, accounts receivable, and primarily on loans receivable. BOF monitors credit exposures on an ongoing basis, including regular reviews of borrower performance and compliance with loan terms.

Collateral is held by BOF to mitigate potential losses in the event of borrower default and consists primarily of land and leasehold interests. The recoverability of collateral may be affected by its priority relative to other secured creditors in the event of liquidation. Due to the difficult nature of valuing collateral, management considers the maximum exposure to credit risk to be equal to the loan receivable balance. As at March 31, 2026, the maximum exposure to credit risk on loans receivable, without taking into account any collateral held, was $98,648 (2025 – nil).

BOF recognizes credit risk on its loans receivable through valuation allowances. The valuation allowance provides a reserve for potential credit losses and is determined using BOF's internal credit ratings, along with considerations for economic conditions and historical loss experience for similar credit exposures. A loan is considered credit-impaired when there is objective evidence of impairment, and it is unlikely the borrower will be able to meet its obligations in full without BOF taking actions such as realizing collateral. See *Note 5* for valuation allowance.

(c) Liquidity risk

Liquidity risk refers to the risk that BOF will encounter financial difficulty in meeting obligations associated with its financial liabilities that are to be settled by delivering cash or another financial asset. BOF faces low liquidity risk since it receives regular funding from the Province and has no outstanding debt instruments. BOF manages its liquidity risk by preparing and monitoring forecasts of cash flows for anticipated operating and capital activities which are reviewed and approved by the Board of Directors.

(Thousands of Canadian dollars)

4. ACCOUNTS RECEIVABLE

As at March 31	**2026**	2025
Harmonized Sales Tax receivable[1]	**478**	485
Interest receivable	**821**	8
Other receivables	**20**	-
Total accounts receivable	**1,319**	493

[1] BOF has been added to the Reciprocal Tax Agreement which allows it to claim rebates for HST paid on purchases.

5. LOANS RECEIVABLE

Loans receivable and years of maturity

			Principal repayments to be made in:					
As at March 31	**2026**	2025	2027	2028	2029	2030	2031	2032 and thereafter
Carrying amount[1]	**98,978**	-	-	4,549	5,663	2,293	2,419	84,054
Valuation allowance	**(330)**	-						
Total loans receivable	**98,648**	-						

[1] Loans bear interest at rates ranging from 4.6 per cent to 9.0 per cent.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable relate to normal business transactions with third-party vendors. Accrued liabilities include accruals for operating expenses related to goods or services received but that have not been paid including salaries, wages and benefits, professional services and other operating expenses.

As at March 31	**2026**	2025
Accounts payable	**304**	418
Accrued liabilities	**5,248**	867
Total accounts payable and accrued liabilities	**5,552**	1,285

(Thousands of Canadian dollars)

7. TANGIBLE CAPITAL ASSETS

	Information Technology 2026	Information Technology 2025
Cost		
Opening balance	**129**	-
Additions	**142**	129
Balance as at March 31	**271**	129
Accumulated amortization		
Opening balance	**16**	-
Additions	**43**	16
Balance as at March 31	**59**	16
Net book value		
Net book value as at March 31	**212**	113

8. PENSION PLAN

BOF provides pension benefits through its participation in the Public Service Pension Plan ("PSPP"). Permanent employees of BOF are eligible for membership in the PSPP, while temporary employees have the option to participate. The PSPP is a multi-employer defined benefit pension plan that is solely sponsored by the Province of Ontario. The pension benefit formula is based on a member's best five-year average salary and length of service. Pension benefits are indexed to changes in the Consumer Price Index to provide protection against inflation. PSPP benefits are funded by contributions from participating employers, employees, the Province, as well as investment earnings. The PSPP members normally contribute 8.3 to 11.9 per cent of their salaries to the plan and participating employers match these contributions. There were no significant changes to the plan during the period.

BOF's contribution to the PSPP during the year amounted to $756 (2025 - $62) and is included in salaries, wages and benefits in the consolidated statement of operations.

9. CONTRACTUAL OBLIGATIONS

(Thousands of Canadian dollars)

(a) Leases

BOF entered into a new lease agreement for office space located in Toronto with a related party, Infrastructure Ontario. The term of the operating lease is five years starting on April 1, 2026. The annual lease payments for the next five years are summarized below:

Fiscal Year	Amount
2026-27	739
2027-28	798
2028-29	798
2029-30	855
2030-31	855
	4,045

(b) Financial close

Financial close occurs when BOF and investment partners enter into binding agreements with counterparties, with all conditions precedent satisfied. On the financial close date, BOF has a commitment to lend or invest a specific amount of funding towards the respective infrastructure project. As at March 31, 2026, BOF has unadvanced loan commitments of $116,943 (2025 – nil) for projects that had reached financial close.

10. DIRECTOR'S REMUNERATION

The *Agencies and Appointments Directive* requires the disclosure of remuneration paid to directors. During the year, the director's remuneration amounted to $23 (2025 - $23) and is included in salaries, wages and benefits in the consolidated statement of operations.

11. RELATED PARTY TRANSACTIONS

BOF is a Crown Agency of the Province and is therefore a related party to the Province and its departments, agencies, and Crown corporations. BOF enters into transactions with these entities in the normal course of business. Related party transactions during the period consisted of the following:

(a) BOF has retained the Ontario Financing Authority ("OFA") to provide services under the terms and conditions of a Service Level Agreement ("SLA"), at the direction of Treasury

Board Secretariat. The SLA allowed the OFA to provide operational and administrative support to help set up BOF's operations. Pursuant to the SLA, the OFA is compensated by BOF on a cost recovery basis. For the year ended March 31, 2026, BOF reimbursed the OFA $100 (2025 - $1,590) in salaries, wages and benefits, with no other costs incurred during the year (2025 - $457 in professional services and other expenses). As at March 31, 2026, accounts payable and accrued liabilities on the consolidated statement of financial position include a cost recovery liability of $14 (2025 - $123) to the OFA.

(b) BOF incurred costs of $791 (2025 - $223) during the year for the rental of office space and other facility-related expenses from the Ontario Infrastructure and Lands Corporation. As at March 31, 2026, accounts payable and accrued liabilities on the consolidated statement of financial position include a cost recovery liability of $485 (2025 - $17) to the Ontario Infrastructure and Lands Corporation.

(c) BOF incurred information technology services and support costs of $183 (2025 - $94) to the Ministry of Public and Business Service Delivery and Procurement (MPBSDP). As at March 31, 2026, accounts payable and accrued liabilities on the consolidated statement of financial position include a cost recovery liability of $167 (2025 - $89) to MPBSDP.

(d) BOF administers loan guarantee agreements under the Indigenous Opportunities Financing Program (IOFP) on behalf of the Ministry of Finance. BOF is not the counterparty to the loan guarantees and has no settlement obligation in the event of default. Accordingly, BOF is not exposed to credit risk related to these guarantees. For the year ended March 31, 2026, administrative fees earned for these services totaled $663 (2025 - $nil). As at March 31, 2026, unearned revenue on the consolidated statement of financial position include a balance of $651 (2025 - $nil).

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the basis of the financial statement presentation adopted in the current year. On the consolidated statement of financial position, accounts payable and accrued liabilities include due to related parties, which was presented as a separate line in 2025.

13. SUBSEQUENT EVENTS

(a) Darlington New Nuclear Project

On October 23, 2025, BOF announced that it had entered into an equity commitment agreement with Canada Growth Fund Inc (CGF) and Ontario Power Generation Inc. (OPG) to finance the first of four Small Modular Reactors (SMR) to be constructed at the Darlington New Nuclear Project (the DNNP), majority owned and operated by OPG. Under this agreement, BOF has committed to invest up to $1,000,000, representing a 7.5% ownership interest in the DNNP, through a wholly owned subsidiary, BOF DNNP Limited, incorporated on February 3, 2026. On April 20, 2026, financial close was achieved on the project, and the subsidiary made an initial equity contribution of $195,047.

(b) Scarborough Junction Limited Partnership

On May 11, 2026, BOF entered into a limited partnership with Republic Developments and Harlo Capital to finance the development of a transit-connected community located next to the Scarborough GO station. The project is expected to include up to 7,700 residential units. Under the terms of the agreement, BOF has committed to invest up to $177,650 in exchange for a 50% of limited partnership interest. An initial equity contribution of $131,130 was advanced upon financial close.