

**The Western Investment Company of Canada Limited**

Condensed Interim Consolidated Financial Statements  
(Unaudited)

For the period ended March 31, 2026

## **Notice of No Auditor Review of Condensed Interim Financial Statements**

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of The Western Investment Company of Canada Limited (the "Corporation") for the interim reporting period ended March 31, 2026 have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board, and are the responsibility of the Corporation's management.

The Corporation's independent auditors, Ernst & Young LLP, have not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

**The Western Investment Company of Canada Limited**  
Condensed Interim Consolidated Statements of Financial Position  
(unaudited)

		As at March 31	As at December 31
		2026	2025
	Notes	\$	\$
<b>Assets</b>			
Cash and cash equivalents		85,318,257	55,784,704
Accounts receivable		874,718	906,534
Income taxes receivable		256,048	350,160
Investments	6	25,000	5,936,868
Reinsurance contract assets	7	47,619,380	43,516,133
Fronting contract assets		3,380,238	3,219,470
Prepaid expenses		212,379	587,859
Due from related parties	23	1,386,952	1,563,129
Intangible assets	8	1,657,403	1,699,736
Right of use asset		47,889	65,848
Property, plant & equipment		25,456	28,031
Investment in associates	9	6,915,901	17,068,008
Goodwill	10	7,693,912	7,693,912
<b>Total Assets</b>		<b>155,413,533</b>	<b>138,420,392</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	11	1,025,273	1,123,748
Due to related parties	23	26,957	6,025
Other liabilities		194,745	311,284
Lease liabilities		40,904	66,364
Fronting payable		3,870,153	3,427,816
Fronting contract liabilities		4,067,443	3,982,257
Collateral held	12	6,131,099	6,131,099
Loan from related party	14	900,000	900,000
Deferred taxes payable	20	202,388	203,040
Insurance contract liabilities	7	61,104,964	56,958,713
<b>Total Liabilities</b>		<b>77,563,926</b>	<b>73,110,346</b>
<b>Equity</b>			
Share capital	16	52,520,111	51,332,407
Contributed surplus		18,049,635	19,156,587
Deficit		6,003,549	(6,514,378)
Accumulated other comprehensive Income (loss)		(48,475)	(48,475)
Equity attributable to shareholders		76,524,820	63,926,141
Equity attributable to non-controlling interests	17	1,324,787	1,383,905
<b>Total Equity</b>		<b>77,849,607</b>	<b>65,310,046</b>
<b>Total Liabilities and Equity</b>		<b>155,413,533</b>	<b>138,420,392</b>
Nature of operations	2		
Subsequent events	25		

**Approved by the Board of Directors**

\_\_\_\_\_  
“Scott Tannas”  
Director

\_\_\_\_\_  
“Sharon Ranson”  
Director

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

**The Western Investment Company of Canada Limited**  
Condensed Interim Consolidated Statements of Income (Loss)  
(unaudited)

		For the three months ended March 31 2026	For the three months ended March 31 2025
	Notes	\$	\$
<b>Insurance service result</b>			
Insurance revenue	7	9,307,602	8,211,998
Insurance service expenses	7	(9,408,053)	(6,572,798)
Net expenses from reinsurance contracts held		469,274	(1,319,423)
<b>Total insurance service result</b>		<b>368,823</b>	<b>319,777</b>
<b>Net investment income</b>			
	18	341,792	129,736
Insurance finance expenses for insurance contracts issued		130,215	381,429
Insurance finance expenses for reinsurance contracts held		(93,894)	(316,381)
<b>Net insurance financial expense</b>		<b>36,321</b>	<b>65,048</b>
<b>Other Operating and Administrative Expenses</b>			
Payroll		873,271	511,757
Share-based compensation	16,17	56,944	155,312
Director fees		31,227	31,227
Consulting fees		189,884	187,501
Professional fees		295,695	356,274
Depreciation and amortization		32,758	33,415
Other operating expenses		156,310	74,532
Interest expense	13	16,289	153,714
<b>Total other operating and administrative expenses</b>		<b>1,652,378</b>	<b>1,503,733</b>
<b>Other income</b>			
Income from equity investments	9	(1,259,755)	(302,952)
Other finance income	18	331,966	365,785
Fronting administration fees		141,799	35,830
Management fees	23,24	18,750	18,750
Gain on sale of investment in associate	19	14,354,115	-
<b>Total other income</b>		<b>13,586,875</b>	<b>117,413</b>
<b>Income (loss) before income taxes</b>		<b>12,608,791</b>	<b>(1,001,855)</b>
Income tax expense (recovery)		91,516	(10,841)
Deferred tax expense (recovery)	19	(652)	7,844
<b>Net income (loss)</b>		<b>12,517,927</b>	<b>(998,858)</b>
<b>Net income (loss) attributable to:</b>			
Shareholders		12,517,927	(963,186)
Non-controlling interests		-	-
		<b>12,517,927</b>	<b>(963,186)</b>
<b>Net income (loss) per common share</b>			
Basic	21	0.079	(0.007)
Diluted		0.053	(0.007)
<b>Weighted average number of common shares outstanding</b>			
Basic	21	159,199,390	151,208,489
Diluted		237,412,500	227,202,062

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

# The Western Investment Company of Canada Limited

## Condensed Interim Consolidated Statements of Comprehensive Income (Loss) (unaudited)

	For the three months ended March 31	For the three months ended March 31
	2026	2025
	\$	\$
<b>Net income (loss)</b>	<b>12,517,927</b>	<b>(998,858)</b>
<b>Items that may be reclassified to profit or loss in subsequent periods:</b>		
Gross Unrealized profit (loss) for FVOCI instruments	-	99,035
Tax impact	-	(25,353)
Unrealized profit (loss) for FVOCI instruments	-	73,682
<b>Other comprehensive loss for the period</b>	-	73,682
<b>Total comprehensive income (loss) for the period</b>	<b>12,517,927</b>	<b>(925,176)</b>
<b>Total comprehensive income (loss) attributable to:</b>		
Shareholders	12,517,927	(925,176)
Non-controlling interests	-	-
	<b>12,517,927</b>	<b>(925,176)</b>

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

**The Western Investment Company of Canada Limited**  
Condensed Interim Consolidated Statement of Changes in Shareholder's Equity  
(unaudited)

	Notes	Number of shares	Share capital	Contributed surplus	Equity component of convertible debentures	Deficit	Accumulated other comprehensive income (loss)	Equity attributable to NCI	Total Equity
			\$	\$	\$	\$	\$	\$	\$
<b>Balance – December 31, 2024</b>		<b>148,269,043</b>	<b>46,171,043</b>	<b>19,059,726</b>	<b>400,908</b>	<b>(5,949,811)</b>	<b>(22,659)</b>	<b>1,084,715</b>	<b>60,743,922</b>
Net Income (loss) for the period		-	-	-	-	(998,858)	-	-	(998,858)
Other comprehensive income (loss)		-	-	-	-	-	73,682	-	73,682
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(998,858)</b>	<b>73,682</b>	<b>-</b>	<b>(925,176)</b>
Share-based compensation expense	16,17	-	-	-	-	-	-	155,312	155,312
Redemption of share-based compensation		-	-	-	-	-	-	(4,074)	(4,074)
Debenture conversion	13	10,582,007	5,161,364	-	(400,908)	-	-	-	4,760,456
<b>Balance – March 31, 2025</b>		<b>158,851,050</b>	<b>51,332,407</b>	<b>19,059,726</b>	<b>-</b>	<b>(6,948,669)</b>	<b>51,023</b>	<b>1,235,953</b>	<b>64,730,440</b>
<b>Balance – December 31, 2025</b>		<b>158,851,050</b>	<b>51,332,407</b>	<b>19,156,587</b>	<b>-</b>	<b>(6,514,378)</b>	<b>(48,475)</b>	<b>1,383,905</b>	<b>65,310,046</b>
Net Income (loss) for the period		-	-	-	-	12,517,927	-	-	12,517,927
Other comprehensive income (loss)		-	-	-	-	-	-	-	-
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,517,927</b>	<b>-</b>	<b>-</b>	<b>12,517,927</b>
Share options exercised	16,17	251,213	-	-	-	-	-	-	-
Warrants exercised	16,17	1,221,078	7,050	-	-	-	-	-	7,050
Share-based compensation expense	16,17	-	-	73,702	-	-	-	(40,873)	32,829
Redemption of share-based awards		-	-	-	-	-	-	(18,245)	(18,245)
Transfer from Contributed Surplus to Share Capital	16,17	-	1,180,654	(1,180,654)	-	-	-	-	-
<b>Balance – March 31, 2026</b>		<b>160,323,341</b>	<b>52,520,111</b>	<b>18,049,635</b>	<b>-</b>	<b>6,003,549</b>	<b>(48,475)</b>	<b>1,324,787</b>	<b>77,849,607</b>

**The Western Investment Company of Canada Limited**  
Condensed Interim Consolidated Statements of Cash Flows  
(unaudited)

		For the three months ended March 31	For the three months ended March 31
		2026	2025
Cash provided by (used in):	Notes	\$	\$
<b>Operating activities</b>			
Net Income (loss) for the year		12,517,927	(998,858)
Adjustments for non-cash items:			
Income from equity investments	9	1,259,755	302,952
Gain on acquisition	19	(14,354,115)	-
Interest on convertible debentures		-	134,464
Share based compensation	16,17	56,944	155,312
Realized (gain) loss on Investments	18	(135,357)	(34,707)
Unrealized gain on investments	18	-	73,682
Amortization and depreciation		65,609	84,387
Deferred tax recovery	20	(652)	7,844
Interest accreted on lease liabilities		1,245	2,634
Net change in non-cash balances related to operations	22	551,891	(951,375)
<b>Cash provided by operating activities</b>		<b>(36,753)</b>	<b>(1,223,665)</b>
<b>Investing activities</b>			
Net Proceeds from sale of associate	19	23,300,816	-
Repayments from related parties		244,664	49,785
Advances to related parties	23	-	(54,571)
Return of capital from associates	9	-	-
Dividends from associates	9, 14	-	45,000
Purchase of intangible assets & property, plant & equipment		(2,744)	(26,862)
Purchases of investments	6	(209,879)	(537,379)
Proceeds from sale and maturities of investments	6	6,257,104	1,445,267
<b>Cash provided by investing activities</b>		<b>29,589,961</b>	<b>921,240</b>
<b>Financing activities</b>			
Proceeds from issuance of common shares	16	7,050	-
Lease liabilities payments		(26,705)	(25,284)
<b>Cash provided (used) in financing activities</b>		<b>(19,655)</b>	<b>(25,284)</b>
Net increase (decrease) in cash and cash equivalents during the year		29,533,553	(327,709)
Cash and cash equivalents, beginning of period		55,784,704	43,245,301
<b>Cash and cash equivalents, end of period</b>		<b>85,318,257</b>	<b>42,917,592</b>
<b>Supplemental cash flow information</b>			
Restricted cash	12	6,131,099	85,125
Interest paid		16,289	214,143
Interest received		559,160	531,975
Dividends received		-	169,892

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

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### 1 Incorporation

The Western Investment Company of Canada Limited ("Western" or the "Corporation") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on October 28, 2015 and was continued to the province of Ontario on December 5, 2025. The Corporation's common shares began trading on December 20, 2016, and are listed on the TSX Venture Exchange under the stock symbol "WI".

### 2 Nature of operations

The head office and principal address of the Corporation is #Suite 1700 - 95 St Clair Avenue West, Toronto, Ontario, M4V 1N6.

The unaudited condensed interim consolidated financial statements ("the interim consolidated financial statements") of the Corporation for the three months ended March 31, 2026, were approved and authorized for issuance by the Corporation's Board of Directors on May 26, 2026.

These interim consolidated financial statements include the accounts of the Corporation and its wholly owned subsidiary, Fortress Insurance ("Fortress"). The principal business of Fortress involves property insurance, but the company also offers insurance in niche products, including accident & sickness, automobile, boiler & machinery, fidelity, legal expense, liability, marine and surety. Fortress is incorporated under the Alberta Insurance Act and has regulatory licences and operates across Canada in all provinces and territories except for Quebec.

The Corporation has a non-controlling interest investment in a number of companies that are accounted for under the equity method. See note 6 of our annual financial statements for additional information on these associates.

### 3 Basis of preparation

#### Statement of compliance

These consolidated financial statements have been prepared in accordance with IAS 34 - Interim financial reporting as issued by the International Accounting Standards Board.

The Corporation presents its consolidated balance sheets broadly in order of liquidity.

#### Basis of measurement

These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency, and were prepared on a going concern basis under the historical cost convention.

The preparation of consolidated financial statements necessitates the use of judgments, estimates and assumptions that will affect assets, liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as income and expenses during the reporting periods.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its subsidiary as at December 31, 2025. Control is achieved when the Corporation is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Corporation controls an investee if and only if, the Corporation has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, when the Corporation has less than a majority of the voting or similar rights of an investee, the Corporation considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Corporations' voting rights and potential voting rights

The Corporation re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Corporation obtains control over the subsidiary and ceases when the Corporation loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Corporation gains control until the date the Corporation ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Corporation and to the non-controlling interests, even if the results in the non-controlling interest have a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Corporation's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

A change in ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Corporation loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while a resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### **Functional and presentation currency**

The consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

### **Role of the Appointed Actuary**

The Appointed Actuary is appointed by the relevant Board of Directors pursuant to relevant legal and statutory requirements. The Appointed Actuary is responsible for ensuring that the assumptions and methods used in the valuation of the Corporation's insurance contract liabilities are in accordance with IFRS 17 Insurance contracts ("IFRS 17"), applicable legislation and associated regulations or directives.

### **4 Material accounting policy information**

Except for the adoption of the amendments to IFRS 9 and IFRS 7 effective January 1, 2026, the accounting policies applied in these condensed interim financial statements are the same as those applied in note 4 to the Corporation's audited consolidated financial statements for the year ended December 31, 2025. The impact of the adoption of these amendments was not material.

### **5 Accounting judgments, estimates and standards issued but not yet effective**

#### **Use of judgments and estimates**

The preparation of financial statements necessitates the use of judgments, estimates and assumptions, as outlined in note 5 of the audited consolidated financial statements for the year ended December 31, 2025. These judgments, estimates and assumptions may affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as income and expenses during the reporting periods.

#### **Standards issued but not yet effective**

There have been no significant changes during 2025 as compared to the information provided in the annual consolidated financial statements for the year ended December 31, 2025.

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### 6 Investments

The Corporation, as part of its operations, carries financial instruments consisting of cash, accounts receivable, investments, due from related parties, operating loan, accounts payable and accrued liabilities, loan from related party and convertible debentures.

#### Financial assets

Carrying amount by classification	As at March	As at December
	31	31
	2026	2025
	\$	\$
Measured at Fair Value Through Profit and Loss (FVPL)	1,411,952	1,343,465
Measured at Fair Value through Other Comprehensive Income (FVOCI)	-	5,911,868
Carried at amortized cost	86,192,975	61,594,461
	<u>87,604,927</u>	<u>68,849,794</u>
Carrying amount by asset type	As at March	As at December
	31	31
	2026	2025
	\$	\$
Debt securities (measured at FVOCI)		
Provincial and Government of Canada bonds	-	4,003,377
Corporate bonds	-	1,908,491
	<u>-</u>	<u>5,911,868</u>
Equities (measured at FVPL)		
Common shares	-	-
Preferred shares	-	-
	<u>-</u>	<u>-</u>
Short-term investments		
Guaranteed Investment certificates (measured at FVPL)	25,000	25,000
Loan with related party (measured at FVPL)	1,386,952	1,318,465
Other (measured at amortized cost)		
Loans and amounts due from related parties	-	4,903,223
Cash and cash equivalents	85,318,257	55,784,704
Accounts receivable	874,718	906,534
Accrued interest receivable	-	-
	<u>87,604,927</u>	<u>68,849,794</u>
Total financial assets		

The Corporation sold its debt securities in the period ended March 31, 2026. As at December 31, 2025, Debt securities bore interest at rates ranging from 1.25% to 6.03% and had maturity/call dates between March 2027 and June 2035.

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Valuation techniques and assumptions applied for measuring fair value

A number of the Corporation's accounting policies and disclosures require the measurement of fair values.

The Corporation measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted in active markets for identical instruments).

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes unobservable inputs that have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The objective of the valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

	As at March 31, 2026				As at December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Debt securities</b>								
Government bonds	-	-	-	-	-	4,003,377	-	4,003,377
Corporate bonds	-	-	-	-	-	1,908,491	-	1,908,491
<b>Equity securities</b>								
Common shares	-	-	-	-	-	-	-	-
Preferred shares	-	-	-	-	-	-	-	-
<b>Short term investments</b>	<b>25,000</b>	-	-	<b>25,000</b>	25,000	-	-	25,000
<b>Loan to related parties</b>	-	-	<b>1,386,952</b>	<b>1,386,952</b>	-	-	1,318,465	1,318,465
	<b>25,000</b>	-	<b>1,386,952</b>	<b>1,411,952</b>	25,000	5,911,868	1,318,465	7,255,333

There were no transfers between Level 1 and Level 2 during the period ending March 31, 2026 (December 31, 2025 \$nil). The loan to related parties is the Foothills shareholder loan measured at fair value through profit or loss (note 26). The fair value of the shareholder loan is estimated to be equal to its book value.

All other loans to related parties are measured at amortized cost and their carrying value approximates their fair value. Loans to related parties also include the GlassMasters promissory note which is included in investment in associates (note 9).

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### 7 Insurance and reinsurance results

The following tables show the changes in the net assets or liabilities for insurance contracts issued and reinsurance contracts held. The tables that illustrate changes by measurement component exclude insurance contracts measured using the PAA. The tables that illustrate changes by Remaining Coverage and Incurred Claims include insurance contracts measured using the PAA.

#### Insurance contracts issued by measurement component

The following table shows the changes in liabilities for insurance contracts issued by measurement component:

For the three month period ending March 31, 2026	Expected present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Beginning of period</b>				
Opening balance Insurance contract assets	-	-	-	-
Opening balance Insurance contract liabilities	24,372,131	2,439,104	7,650,542	34,461,777
<b>Net Opening Insurance contract balances</b>	<b>24,372,131</b>	<b>2,439,104</b>	<b>7,650,542</b>	<b>34,461,777</b>
<b>Changes in the statement of Profit or Loss and OCI</b>				
Contractual service margin recognized for service provided	-	-	(394,413)	(394,413)
Change in risk adjustment for non-financial risk expired	-	(197,626)	-	(197,626)
Experience adjustments	(197,858)	-	-	(197,858)
<b>Current Service Provided in the period</b>	<b>(197,858)</b>	<b>(197,626)</b>	<b>(394,413)</b>	<b>(789,897)</b>
Contracts initially recognized in the period	(1,492,590)	388,621	1,103,969	-
Changes in estimates that adjust the CSM	85,706	22,134	(107,840)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-	-	-	-
<b>Future Service yet to be Provided</b>	<b>(1,406,884)</b>	<b>410,755</b>	<b>996,129</b>	<b>-</b>
Adjustments to liabilities for incurred claims	-	-	-	-
Experience adjustments not related to incurred claims	(76,000)	(7,600)	-	(83,600)
<b>Past Service Provided in the Prior Periods</b>	<b>(76,000)</b>	<b>(7,600)</b>	<b>-</b>	<b>(83,600)</b>
<b>Insurance service result</b>	<b>(1,680,742)</b>	<b>205,529</b>	<b>601,716</b>	<b>(873,497)</b>
<b>Net finance (income) expenses from insurance contracts</b>	<b>78,187</b>	<b>10,246</b>	<b>67,381</b>	<b>155,814</b>
<b>Effects of movements in exchange rates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total changes in the statement of Profit or Loss and OCI</b>	<b>(1,602,555)</b>	<b>215,775</b>	<b>669,097</b>	<b>(717,683)</b>
<b>Cash flows</b>				
Premiums received for insurance contracts	8,037,479	-	-	8,037,479
Claims, benefits and other expenses paid	(1,106,598)	-	-	(1,106,598)
Insurance Acquisition cash flows	(3,820,217)	-	-	(3,820,217)
<b>Total Cash flows</b>	<b>3,110,664</b>	<b>-</b>	<b>-</b>	<b>3,110,664</b>
Other Changes in the Net Carrying Amount of the Insurance Contract Liabilities (Rounding)	-	-	-	-
<b>Net Ending Insurance Contract Balances</b>	<b>25,880,240</b>	<b>2,654,879</b>	<b>8,319,639</b>	<b>36,854,758</b>
<b>End of Period</b>				
Ending Balance Insurance Contract Assets	-	-	-	-
Ending Balance Insurance Contract Liabilities	25,880,240	2,654,879	8,319,639	36,854,758
<b>Ending Balance Insurance Contract Liabilities</b>	<b>25,880,240</b>	<b>2,654,879</b>	<b>8,319,639</b>	<b>36,854,758</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

For the twelve month period ending December 31, 2025	Expected present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Beginning of period</b>				
Opening balance Insurance contract assets	-	-	-	-
Opening balance Insurance contract liabilities	17,781,711	1,665,713	4,774,589	24,222,013
<b>Net Opening Insurance contract balances</b>	<b>17,781,711</b>	<b>1,665,713</b>	<b>4,774,589</b>	<b>24,222,013</b>
<b>Changes in the statement of Profit or Loss and OCI</b>				
Contractual service margin recognized for service provided	-	-	(1,827,337)	(1,827,337)
Change in risk adjustment for non-financial risk expired	-	(716,553)	-	(716,553)
Experience adjustments	(2,727,886)	-	-	(2,727,886)
<b>Current Service Provided in the period</b>	<b>(2,727,886)</b>	<b>(716,553)</b>	<b>(1,827,337)</b>	<b>(5,271,776)</b>
Contracts initially recognized in the period	(7,952,584)	1,899,803	6,052,781	-
Changes in estimates that adjust the CSM	2,138,609	(503,216)	(1,635,393)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-	-	-	-
<b>Future Service yet to be Provided</b>	<b>(5,813,975)</b>	<b>1,396,587</b>	<b>4,417,388</b>	<b>-</b>
Adjustments to liabilities for incurred claims	-	-	-	-
Experience adjustments not related to incurred claims	-	-	-	-
<b>Past Service Provided in the Prior Periods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Insurance service result</b>	<b>(8,541,861)</b>	<b>680,034</b>	<b>2,590,051</b>	<b>(5,271,776)</b>
<b>Net finance (income) expenses from insurance contracts</b>	<b>905,769</b>	<b>93,357</b>	<b>285,902</b>	<b>1,285,028</b>
<b>Effects of movements in exchange rates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total changes in the statement of Profit or Loss and OCI</b>	<b>(7,636,092)</b>	<b>773,391</b>	<b>2,875,953</b>	<b>(3,986,748)</b>
<b>Cash flows</b>				
Premiums received for insurance contracts	34,452,275	-	-	34,452,275
Claims, benefits and other expenses paid	(4,629,205)	-	-	(4,629,205)
Insurance Acquisition cash flows	(15,596,558)	-	-	(15,596,558)
<b>Total Cash flows</b>	<b>14,226,512</b>	<b>-</b>	<b>-</b>	<b>14,226,512</b>
Other Changes in the Net Carrying Amount of the Insurance Contract Liabilities (Rounding)	-	-	-	-
<b>Net Ending Insurance Contract Balances</b>	<b>24,372,131</b>	<b>2,439,104</b>	<b>7,650,542</b>	<b>34,461,777</b>
<b>End of Period</b>				
Ending Balance Insurance Contract Assets	-	-	-	-
Ending Balance Insurance Contract Liabilities	24,372,131	2,439,104	7,650,542	34,461,777
<b>Ending Balance Insurance Contract Liabilities</b>	<b>24,372,131</b>	<b>2,439,104</b>	<b>7,650,542</b>	<b>34,461,777</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Insurance contracts issued by remaining coverage and incurred claims

The following table shows the changes in liabilities for remaining coverage and incurred claims for insurance contracts issued:

For the three month period ending March 31, 2026	Liability for remaining coverage (PAA and GMM)		Liability for incurred claims			
	Excluding loss component	Loss component	Contracts under GMM	Estimates of PV of future cash flows	Risk adjustment for non-financial risk (PAA)	Total
<b>Insurance contracts issued</b>						
Opening Insurance contract liabilities	40,917,044	-	83,600	15,117,198	840,871	56,958,713
Opening Insurance contract assets	-	-	-	-	-	-
<b>Net balance as at January 1</b>	<b>40,917,044</b>	<b>-</b>	<b>83,600</b>	<b>15,117,198</b>	<b>840,871</b>	<b>56,958,713</b>
<b>Insurance revenue</b>	<b>(9,307,602)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,307,602)</b>
Insured claims and other insurance service expenses	-	-	1,212,198	4,031,562	169,370	5,413,130
Amortization of insurance acquisition cash flows	2,605,172	-	-	-	-	2,605,172
Adjustments to liabilities for incurred claims	-	-	(83,600)	1,614,959	(141,608)	1,389,751
Losses and reversal of losses on onerous contracts	-	-	-	-	-	-
<b>Insurance service expenses</b>	<b>2,605,172</b>	<b>-</b>	<b>1,128,598</b>	<b>5,646,521</b>	<b>27,762</b>	<b>9,408,053</b>
<b>Insurance service result</b>	<b>(6,702,430)</b>	<b>-</b>	<b>1,128,598</b>	<b>5,646,521</b>	<b>27,762</b>	<b>100,451</b>
Finance (income) expense from insurance contracts issued	155,815	-	-	(25,600)	-	130,215
<b>Total amounts recognized in income (loss)</b>	<b>(6,546,615)</b>	<b>-</b>	<b>1,128,598</b>	<b>5,620,921</b>	<b>27,762</b>	<b>230,666</b>
<b>Cash flows</b>						
Premiums received	13,069,846	-	-	-	-	13,069,846
Claims and other directly attributable expenses	-	-	(1,106,598)	(2,483,302)	-	(3,589,900)
Insurance acquisition cash flows	(5,564,361)	-	-	-	-	(5,564,361)
<b>Total cash flows</b>	<b>7,505,485</b>	<b>-</b>	<b>(1,106,598)</b>	<b>(2,483,302)</b>	<b>-</b>	<b>3,915,585</b>
Items excluded from insurance revenue and insurance service expense	-	-	-	-	-	-
<b>Total items excluded from insurance revenue and insurance service expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Closing insurance contract liabilities	41,875,914	-	105,600	18,254,817	868,633	61,104,964
Closing insurance contract assets	-	-	-	-	-	-
<b>Net balance as at December 31</b>	<b>41,875,914</b>	<b>-</b>	<b>105,600</b>	<b>18,254,817</b>	<b>868,633</b>	<b>61,104,964</b>

As at March 31, 2026, \$5,252,806 of the LRC relates to acquired claims (December 31, 2025 \$5,777,205)

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

For the twelve month period ending December 31, 2025	Liability for remaining coverage (PAA and GMM)		Liability for incurred claims			
	Excluding loss component	Loss component	Contracts under GMM	Estimates of PV of future cash flows	Risk adjustment for non-financial risk (PAA)	Total
<b>Insurance contracts issued</b>						
Opening Insurance contract liabilities	27,910,356	-	-	4,429,490	195,754	32,535,600
Opening Insurance contract assets	-	-	-	-	-	-
Net balance as at January 1	27,910,356	-	-	4,429,490	195,754	32,535,600
<b>Insurance revenue</b>	<b>(35,796,456)</b>	-	-	-	-	<b>(35,796,456)</b>
Insured claims and other insurance service expenses	-	-	4,712,805	16,791,178	677,481	22,181,464
Amortization of insurance acquisition cash flows	7,734,399	-	-	-	-	7,734,399
Adjustments to liabilities for incurred claims	-	-	-	1,173,913	28,262	1,202,175
Losses and reversal of losses on onerous contracts	-	-	-	-	-	-
<b>Insurance service expenses</b>	<b>7,734,399</b>	-	<b>4,712,805</b>	<b>17,965,091</b>	<b>705,743</b>	<b>31,118,038</b>
<b>Insurance service result</b>	<b>(28,062,057)</b>	-	<b>4,712,805</b>	<b>17,965,091</b>	<b>705,743</b>	<b>(4,678,418)</b>
Finance (income) expense from insurance contracts issued	1,285,028	-	-	75,791	-	1,360,819
<b>Total amounts recognized in income (loss)</b>	<b>(26,777,029)</b>	-	<b>4,712,805</b>	<b>18,040,882</b>	<b>705,743</b>	<b>(3,317,599)</b>
<b>Cash flows</b>						
Premiums received	59,114,981	-	-	-	-	59,114,981
Claims and other directly attributable expenses	-	-	(4,629,205)	(6,983,397)	-	(11,612,602)
Insurance acquisition cash flows	(19,331,264)	-	-	-	-	(19,331,264)
<b>Total cash flows</b>	<b>39,783,717</b>	-	<b>(4,629,205)</b>	<b>(6,983,397)</b>	-	<b>28,171,115</b>
insurance service expense	-	-	-	(369,777)	(60,626)	(430,403)
<b>Total items excluded from insurance revenue and insurance service expense</b>	-	-	-	<b>(369,777)</b>	<b>(60,626)</b>	<b>(430,403)</b>
Closing insurance contract liabilities	40,917,044	-	83,600	15,117,198	840,871	56,958,713
Closing insurance contract assets	-	-	-	-	-	-
<b>Net balance as at December 31</b>	<b>40,917,044</b>	-	<b>83,600</b>	<b>15,117,198</b>	<b>840,871</b>	<b>56,958,713</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Reinsurance contracts held by measurement component

The following table shows the changes in assets for reinsurance contracts held by measurement component:

For the three month period ending March 31, 2026	Expected present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Beginning of period</b>				
Opening balance Reinsurance contract held assets	16,426,542	2,098,082	4,801,593	23,326,217
Opening balance Reinsurance contract held liabilities	-	-	-	-
<b>Net Opening reinsurance contract held balances</b>	<b>16,426,542</b>	<b>2,098,082</b>	<b>4,801,593</b>	<b>23,326,217</b>
<b>Changes in the statement of Profit or Loss and OCI</b>				
Contractual service margin recognized for service received	-	-	(257,414)	(257,414)
Change in risk adjustment for non-financial risk expired	-	(159,119)	-	(159,119)
Experience adjustments	(287,140)	-	-	(287,140)
<b>Current Service Provided in the period</b>	<b>(287,140)</b>	<b>(159,119)</b>	<b>(257,414)</b>	<b>(703,673)</b>
Contracts initially recognized in the period	(1,001,975)	329,059	672,916	-
Changes in estimates that adjust the CSM	74,198	23,008	(97,206)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-	-	-	-
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	-
<b>Future Service yet to be Provided</b>	<b>(927,777)</b>	<b>352,067</b>	<b>575,710</b>	<b>-</b>
Adjustments to assets for incurred claims	-	-	-	-
Experience adjustments not related to incurred claims	(68,400)	-	-	(68,400)
<b>Past Service Provided in the Prior Periods</b>	<b>(68,400)</b>	<b>-</b>	<b>-</b>	<b>(68,400)</b>
<b>Net expense from reinsurance contracts held</b>	<b>(1,283,317)</b>	<b>192,948</b>	<b>318,296</b>	<b>(772,073)</b>
<b>Net finance (income) expense from reinsurance contracts held</b>	<b>63,610</b>	<b>9,734</b>	<b>42,494</b>	<b>115,838</b>
<b>Effects of movements in exchange rates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total changes in the statement of Profit or Loss and OCI</b>	<b>(1,219,707)</b>	<b>202,682</b>	<b>360,790</b>	<b>(656,235)</b>
<b>Cash flows</b>				
Premiums paid	3,627,677	-	-	3,627,677
Amounts received	(551,385)	-	-	(551,385)
Reinsurance Acquisition cash flows	-	-	-	-
<b>Total Cash flows</b>	<b>3,076,292</b>	<b>-</b>	<b>-</b>	<b>3,076,292</b>
Other Changes in the Net Carrying Amount of the Insurance Contract Liabilities (Rounding)	-	-	-	-
<b>Net ending reinsurance contract held balances</b>	<b>18,283,127</b>	<b>2,300,764</b>	<b>5,162,383</b>	<b>25,746,274</b>
<b>End of Period</b>				
Ending Balance Reinsurance Contract held Assets	18,283,127	2,300,764	5,162,383	25,746,274
Ending Balance Reinsurance Contract held Liabilities	-	-	-	-
<b>Ending Balance Reinsurance Contract held Liabilities</b>	<b>18,283,127</b>	<b>2,300,764</b>	<b>5,162,383</b>	<b>25,746,274</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Reinsurance contracts held by measurement component

The following table shows the changes in assets for reinsurance contracts held by measurement component:

For the twelve month period ending December 31, 2025	Expected present value of future cash flows	Risk adjustment	Contractual service margin	Total
<b>Beginning of period</b>				
Opening reinsurance contract held assets	9,744,453	1,381,921	3,377,840	14,504,214
Opening reinsurance contract held liabilities	-	-	-	-
<b>Net Opening reinsurance contract held balances</b>	<b>9,744,453</b>	<b>1,381,921</b>	<b>3,377,840</b>	<b>14,504,214</b>
<b>Changes in the statement of Profit or Loss and OCI</b>				
Contractual service margin recognized for service received	-	-	(1,327,963)	(1,327,963)
Change in risk adjustment for non-financial risk expired	-	(555,026)	-	(555,026)
Experience adjustments	(2,751,489)	-	-	(2,751,489)
<b>Current Service Provided in the period</b>	<b>(2,751,489)</b>	<b>(555,026)</b>	<b>(1,327,963)</b>	<b>(4,634,478)</b>
Contracts initially recognized in the period	(5,351,514)	1,625,327	3,726,187	-
Changes in estimates that adjust the CSM	1,625,977	(458,230)	(1,167,747)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	-	-	-	-
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	-
<b>Future Service yet to be Provided</b>	<b>(3,725,537)</b>	<b>1,167,097</b>	<b>2,558,440</b>	<b>-</b>
Adjustments to assets for incurred claims	-	-	-	-
Experience adjustments not related to incurred claims	-	-	-	-
<b>Past Service Provided in the Prior Periods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net expense from reinsurance contracts held</b>	<b>(6,477,026)</b>	<b>612,071</b>	<b>1,230,477</b>	<b>(4,634,478)</b>
<b>Net finance (income) expense from reinsurance contracts held</b>	<b>705,346</b>	<b>104,090</b>	<b>193,276</b>	<b>1,002,712</b>
<b>Effects of movements in exchange rates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total changes in the statement of Profit or Loss and OCI</b>	<b>(5,771,680)</b>	<b>716,161</b>	<b>1,423,753</b>	<b>(3,631,766)</b>
<b>Cash flows</b>				
Premiums paid	15,602,902	-	-	15,602,902
Amounts received	(3,149,133)	-	-	(3,149,133)
Reinsurance Acquisition cash flows	-	-	-	-
<b>Total Cash flows</b>	<b>12,453,769</b>	<b>-</b>	<b>-</b>	<b>12,453,769</b>
Other Changes in the Net Carrying Amount of the Insurance Contract Liabilities (Rounding)	-	-	-	-
<b>Net ending reinsurance contract held balances</b>	<b>16,426,542</b>	<b>2,098,082</b>	<b>4,801,593</b>	<b>23,326,217</b>
<b>End of Period</b>				
Ending Balance Reinsurance Contract held Assets	16,426,542	2,098,082	4,801,593	23,326,217
Ending Balance Reinsurance Contract held Liabilities	-	-	-	-
<b>Ending Balance Reinsurance Contract held Liabilities</b>	<b>16,426,542</b>	<b>2,098,082</b>	<b>4,801,593</b>	<b>23,326,217</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Reinsurance contracts held by remaining coverage and incurred claims

The following table shows the changes in assets for remaining coverage and incurred claims for reinsurance contracts held:

For the three month period ending March 31, 2026

	Assets for remaining coverage (PAA and GMM)			Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Contracts under GMM	Estimates of PV of future cash flows (PAA)	Risk adjustment for non-financial risk (PAA)	Total
<b>Insurance contracts issued</b>						
Opening reinsurance contract held assets	30,530,888	-	278,499	12,235,524	471,222	43,516,133
Opening reinsurance contract held liabilities	-	-	-	-	-	-
<b>Net balance as at January 1</b>	<b>30,530,888</b>	<b>-</b>	<b>278,499</b>	<b>12,235,524</b>	<b>471,222</b>	<b>43,516,133</b>
Allocation of reinsurance premiums	(5,282,783)	-	-	-	-	(5,282,783)
Claims recovered	-	-	830,201	3,148,709	130,825	4,109,735
Other directly incurred attributable expenses	-	-	-	-	-	-
Adjustments to assets for incurred claims	-	-	-	1,752,761	(110,439)	1,642,322
<b>Net Income (expense) from reinsurance contracts held</b>	<b>(5,282,783)</b>	<b>-</b>	<b>830,201</b>	<b>4,901,470</b>	<b>20,386</b>	<b>469,274</b>
Finance (income) expense from reinsurance contracts held	115,838	-	-	(21,944)	-	93,894
<b>Total amounts recognized in income (loss)</b>	<b>(5,166,945)</b>	<b>-</b>	<b>830,201</b>	<b>4,879,526</b>	<b>20,386</b>	<b>563,168</b>
<b>Cash flows</b>						
Premiums paid net of ceding commissions and other directly attributable expenses	5,607,301	-	-	-	-	5,607,301
Recoveries from reinsurance	-	-	(551,385)	(1,515,837)	-	(2,067,222)
<b>Total cash flows</b>	<b>5,607,301</b>	<b>-</b>	<b>(551,385)</b>	<b>(1,515,837)</b>	<b>-</b>	<b>3,540,079</b>
Items excluded from reinsurance contracts held net income (expense)	-	-	-	-	-	-
<b>Total items excluded from reinsurance contract held net income (expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Closing reinsurance contract held assets	30,971,244	-	557,315	15,599,213	491,608	47,619,380
Closing reinsurance contract held liabilities	-	-	-	-	-	-
<b>Net balance as at December 31</b>	<b>30,971,244</b>	<b>-</b>	<b>557,315</b>	<b>15,599,213</b>	<b>491,608</b>	<b>47,619,380</b>

As at March 31, 2026, \$4,470,105 of the ARC relates to acquired claims (December 31, 2025 \$4,906,738)

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

For the twelve month period ending December 31, 2025	Assets for remaining coverage (PAA and GMM)			Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Contracts under GMM	Estimates of PV of future cash flows (PAA)	Risk adjustment for non-financial risk (PAA)	Total
<b>Insurance contracts issued</b>						
Opening reinsurance contract held assets	17,931,835	-	-	2,880,653	141,191	20,953,679
Opening reinsurance contract held liabilities	-	-	-	-	-	-
<b>Net balance as at January 1</b>	<b>17,931,835</b>	<b>-</b>	<b>-</b>	<b>2,880,653</b>	<b>141,191</b>	<b>20,953,679</b>
Allocation of reinsurance premiums	(21,967,085)	-	-	-	-	(21,967,085)
Claims recovered	-	-	3,427,632	13,031,868	523,305	16,982,805
Other directly incurred attributable expenses	-	-	-	-	-	-
Adjustments to assets for incurred claims	-	-	-	1,493,810	(193,274)	1,300,536
<b>Net income (expense) from reinsurance contracts held</b>	<b>(21,967,085)</b>	<b>-</b>	<b>3,427,632</b>	<b>14,525,678</b>	<b>330,031</b>	<b>(3,683,744)</b>
Finance (income) expense from reinsurance contracts held	1,002,712	-	-	65,836	-	1,068,548
<b>Total amounts recognized in income (loss)</b>	<b>(20,964,373)</b>	<b>-</b>	<b>3,427,632</b>	<b>14,591,514</b>	<b>330,031</b>	<b>(2,615,196)</b>
<b>Cash flows</b>						
Premiums paid net of ceding commissions and other directly attributable expenses	33,563,426	-	-	-	-	<b>33,563,426</b>
Recoveries from reinsurance	-	-	(3,149,133)	(5,236,643)	-	<b>(8,385,776)</b>
<b>Total cash flows</b>	<b>33,563,426</b>	<b>-</b>	<b>(3,149,133)</b>	<b>(5,236,643)</b>	<b>-</b>	<b>25,177,650</b>
Items excluded from reinsurance contracts held net income (expense)	-	-	-	-	-	-
<b>Total items excluded from reinsurance contract held net income (expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Closing reinsurance contract held assets	<b>30,530,888</b>	-	<b>278,499</b>	<b>12,235,524</b>	<b>471,222</b>	<b>43,516,133</b>
Closing reinsurance contract held liabilities	-	-	-	-	-	-
<b>Net balance as at December 31</b>	<b>30,530,888</b>	<b>-</b>	<b>278,499</b>	<b>12,235,524</b>	<b>471,222</b>	<b>43,516,133</b>

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Analysis of insurance revenue

	2026	2025
	\$	\$
<b>For the three month period ended March 31</b>		
For Contracts Not Measured Using the PAA:		
Amounts Relating to Changes in Liabilities for Remaining Coverage		
Expected Claims and Other Expenses	1,400,457	1,614,872
Release of Risk Adjustment	207,226	141,396
CSM Recognized for Services Provided	394,413	342,596
Amortization of Insurance Acquisition Cash Flows	990,771	250,220
Total Insurance Revenue for Contracts Not Measured Using the PAA	2,992,867	2,349,084
For Contracts Measured Using the PAA:		
Insurance Revenue	6,314,735	5,862,914
<b>Total Insurance Revenue</b>	9,307,602	8,211,998

### Analysis of insurance service expenses

	2026	2025
	\$	\$
<b>For the three month period ended March 31</b>		
Incurred Claims	4,985,415	2,051,042
Directly Attributable Operating Expenses and Commissions	427,715	485,360
Total Incurred Claims and Other Expenses	5,413,130	2,536,402
Amortization of Insurance Acquisition Cash Flows	990,771	250,220
Insurance Acquisition Cash Flows Expensed as Incurred	1,614,401	1,324,288
Changes Related to Future Service (Losses on Onerous Groups and Reversals of Such Losses)	-	-
Changes Related to Past Service (Changes in FCF related to Liability for Incurred Claims)	1,389,751	2,461,888
<b>Total Insurance Service Expenses</b>	9,408,053	6,572,798

### Contracts initially recognized in the period - insurance contracts issued

The table below illustrates the effect on the Statement of Financial Position of insurance contracts initially recognized during the period, excluding contracts measured using the PAA:

	2026	2025
	\$	\$
<b>For the three month period ended March 31</b>		
<b>Insurance contracts issued</b>		
Contracts Initially Recognized in the Period:		
Amounts Related to All Contracts Initially Recognized:		
Estimates of Present Value of Future Cash Inflows	(9,444,652)	(9,698,215)
Estimates of Present Value of Future Cash Outflows	7,952,063	7,623,973
Insurance Acquisition Cash Flows	3,803,473	3,852,096
Other Cash Outflows	4,148,590	3,771,877
Risk Adjustment	388,621	451,019
CSM	1,103,968	1,623,223
Total Contracts Initially Recognized in the Period:	-	-
Amounts Related to Onerous Contracts Included in Total Contracts Above:		
Estimates of Present Value of Future Cash Inflows	-	-
Estimates of Present Value of Future Cash Outflows	-	-
Insurance Acquisition Cash Flows	-	-
Other Cash Outflows	-	-
Risk Adjustment	-	-
<b>Total Onerous Contracts</b>	-	-

# The Western Investment Company of Canada Limited

## Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

### Contracts initially recognized in the period – reinsurance contracts held

The table below illustrates the effect on the Statement of Financial Position of insurance contracts initially recognized during the period, excluding contracts measured using the PAA:

<b>For the three month period ended March 31</b>	<b>2026</b>	<b>2025</b>
<b>Reinsurance contracts held</b>	<b>\$</b>	<b>\$</b>
Contracts Initially Recognized in the Period:		
Amounts Related to All Contracts Initially Recognized:		
Estimates of Present Value of Future Cash Inflows	(3,632,638)	(3,274,303)
Estimates of Present Value of Future Cash Outflows	4,634,613	4,710,767
Premiums and other expenses	4,634,613	4,710,767
Insurance Acquisition Cash Flows	-	-
Risk Adjustment	(329,059)	(389,509)
CSM	(672,916)	(1,046,955)
<b>Total Contracts Initially Recognized in the Period</b>	<b>-</b>	<b>-</b>
Amounts Related to Onerous Contracts Included in Total Contracts Above:	-	-
Estimates of Present Value of Future Cash Inflows	-	-
Estimates of Present Value of Future Cash Outflows	-	-
Insurance Acquisition Cash Flows	-	-
Other Cash Outflows	-	-
Risk Adjustment	-	-
<b>Total reinsurance contracts held with a loss recovery component</b>	<b>-</b>	<b>-</b>
<b>Loss recoveries at initial recognition of onerous underlying contracts</b>	<b>-</b>	<b>-</b>

### CSM recognition timing

The following tables set out the expected recognition of the CSM for insurance contracts issued and reinsurance contracts held:

<b>For the three month period ended March 31</b>	<b>2026</b>	<b>2025</b>
<b>Insurance contracts issued</b>	<b>\$</b>	<b>\$</b>
Within 1 Year	1,768,227	1,321,488
1 - 3 Years	3,840,296	2,344,675
3 - 5 Years	2,193,079	2,046,432
5 - 10 Years	246,408	307,233
<b>Total</b>	<b>8,048,010</b>	<b>6,019,828</b>

<b>For the three month period ended March 31</b>	<b>2026</b>	<b>2025</b>
<b>Reinsurance contracts held</b>	<b>\$</b>	<b>\$</b>
Within 1 Year	1,129,849	980,165
1 - 3 Years	2,362,139	1,658,298
3 - 5 Years	1,334,212	1,425,830
5 - 10 Years	174,776	227,619
<b>Total</b>	<b>5,000,975</b>	<b>4,291,912</b>

**The Western Investment Company of Canada Limited**  
Notes to the Condensed Interim Consolidated Financial Statements

For the period ended March 31, 2026

**8 Intangible assets**

2026	Licenses	Broker relationships	Data management system	Total
	\$	\$	\$	\$
<b>Cost January 1</b>	1,120,728	650,000	227,663	1,998,391
Additions in the year	-	-	-	-
At March 31	1,120,728	650,000	227,663	1,998,391
<b>Accumulated amortization January 1</b>	-	(116,071)	(182,584)	(298,655)
Amortization in the year	-	(23,215)	(19,118)	(42,333)
At March 31	-	(139,286)	(201,702)	(340,988)
<b>Net carrying amount March 31</b>	1,120,728	510,714	25,961	1,657,403

2025	Licenses	Broker relationships	Data management system	Total
	\$	\$	\$	\$
<b>Cost - Business combination October 1 (refer note 10)</b>	1,110,000	650,000	199,700	1,959,700
Additions in the year	10,728	-	27,963	38,691
At December 31	1,120,728	650,000	227,663	1,998,391
<b>Accumulated amortization October 1</b>	-	(23,214)	(35,978)	(59,192)
Amortization in the year	-	(92,857)	(146,606)	(239,463)
At December 31	-	(116,071)	(182,584)	(298,655)
<b>Net carrying amount December 31</b>	1,120,728	533,929	45,079	1,699,736

**9 Investment in associates**

The investments in associates balance consists of the following:

	March 31,	December 31,
	2026	2025
	\$	\$
Western's interest in Foothills Creamery Ltd	2,236,524	2,362,851
Western's interest in Golden Health Care	4,679,377	4,546,590
Western's interest in GlassMasters ARG Autoglass Two Inc	-	10,158,567
	6,915,901	17,068,008

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### (a) Nature of investments in associates

#### Foothills Creamery Ltd (Foothills)

The Corporation holds a 49% interest in Foothills, which was acquired in 2018. Western appoints two of seven directors of the Board of Directors and, as such, has the ability to exercise significant influence but not control over Foothills and, accordingly, the Corporation is using the equity method to account for this investment.

On April 22, 2025, Western exercised its sixth option to extend the maturity of the Foothills shareholder loan to October 27, 2025, upon which time the loan was not repaid and was extended until June 30, 2026.

Due to a covenant breach with its lender in the prior year, Foothills entered into an agreement requiring shareholders to provide funding to restore compliance. In accordance with this agreement, Western contributed \$250,000 in December 2024 and \$336,700 in June 2025, which were added to the shareholder loan balance receivable from Foothills. The company also entered into an extension agreement for its bank facilities on August 1, 2025, resulting in a 0.4% reduction in the interest rate.

As at March 31, 2026, Foothills was in compliance with its Senior Funded Debt and Fixed Charge Coverage covenants.

Western has entered into a put/call agreement with ATB for its 38% interest in Foothills, in which ATB has the option to require Western to purchase their 38% interest, or Western has the option to require their partner to sell to Western. The Corporation has deemed the fair value of this agreement to be nil as at March 31, 2026 and December 31, 2025. The agreement is in place until April 30, 2028.

#### Golden Health Care group of companies (Golden)

The Corporation acquired a minority interest in Golden in 2017. Western appoints two of nine directors of the Board of Directors of Golden Health Care Management Inc., the company that oversees the operating companies. Through its share ownership and its appointments to the Board of Directors, the Corporation can exercise significant influence over the investment in Golden and, accordingly, the Corporation is using the equity method to account for this investment.

The financial statement reporting date for Golden is August 31; however, the Corporation records equity income aligned with its own reporting periods.

As at March 31, 2026 dividends of \$315,000 from Golden were declared but not yet received, refer to subsequent events note. At March 31, 2025 dividends of \$150,000 had been received from Golden, of which \$105,000 was applied to the loan and \$45,000 was received in cash.

On June 24, 2025, Golden declared a return of capital, of which Western's share amounted to \$479,700. This amount was applied as a reduction to the carrying value of the investment.

#### GlassMasters ARG Autoglass Two Inc (Glassmasters)

The Corporation held a 55% interest in GlassMasters, which was acquired in 2016. Western was able to appoint two of six directors in the GlassMasters' Board of Directors. Through the extent of its share ownership and its seats on the Board of Directors, the Corporation had the ability to exercise significant influence but not control over GlassMasters and, accordingly, the investment in GlassMasters was accounted for using the equity method.

In 2022, the shareholders of GlassMasters passed a special resolution to distribute \$8 million in capital to shareholders by way of reducing the stated capital on the Class A common shares. The distribution had been treated as a return of paid-up capital for tax purposes and was paid by the issuance of a five-year-term promissory note. The return of capital and related promissory note related to Western's shareholdings was \$4,658,559. Terms on the note included a five-year term, with automatic renewal for a period of five years upon each maturity date, unless the directors of GlassMasters determined otherwise.

During the period ended March 31, 2026, \$54,350 of interest was earned related to this note (for the three months ending March 31, 2025 – \$163,050). This promissory note was considered part of Western's net investment in GlassMasters.

On February 2, 2026, the Corporation sold its investment in Glassmasters and the promissory note for net proceeds of \$23.3 million. Please refer to note 19.

### (b) Summarized financial information for associates

The below summarized financial information of each associate (disclosed at 100%) is presented in accordance with IFRS, prior to any intercompany eliminations, adjusted to reflect any adjustments required when applying the equity method of accounting for each investment.

As at March 31, 2026	Foothills \$	Golden \$	GlassMasters \$
Current assets	12,133,948	1,833,459	-
Non-current assets	23,717,904	16,468,961	-
Current liabilities	27,487,623	1,311,039	-
Non-current liabilities	3,685,281	10,818,689	-
Net assets	4,678,948	6,172,692	-
Revenue	6,020,795	2,866,559	3,448,420
Total net Income and comprehensive income	(258,707)	480,423	(2,288,893)

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

As at December 31, 2025	Foothills \$	Golden \$	GlassMasters \$
Current assets	9,605,935	2,247,806	9,662,888
Non-current assets	23,968,743	16,697,167	21,430,460
Current liabilities	24,712,007	1,183,741	6,843,195
Non-current liabilities	3,925,015	10,874,950	14,660,270
Net assets	4,937,656	6,886,282	9,589,883
Revenue	37,603,697	11,047,847	47,128,076
Total net Income and comprehensive income	(430,709)	1,342,913	2,396,736

GlassMasters ceased to be an associate on February 2, 2026.

Revenue and comprehensive income for 2026 are for the three months ending March 31. For 2025 Revenue and comprehensive income are for the twelve month period ending December 31, 2025.

### (c) Reconciliation of investments in associates' carrying value

As at March 31, 2026	Foothills \$	Golden \$	GlassMasters \$	Total \$
Western's ownership interest (%)	49%	25-30%	55%	
Investment at December 31 2025	2,362,851	4,546,590	10,158,567	17,068,008
Share of dividends paid out	-	-	-	-
Share of net income (loss)	(126,327)	132,787	(1,266,216)	(1,259,756)
Sales of associate	-	-	(8,892,351)	(8,892,351)
Investment at March 31 2026	2,236,524	4,679,377	-	6,915,901

  

As at March 31, 2025	Foothills \$	Golden \$	GlassMasters \$	Total \$
Western's ownership interest (%)	49%	25-30%	55%	
Investment at December 31 2024	2,573,167	4,820,146	8,832,693	16,226,006
Share of dividends paid out	-	(150,000)	-	(150,000)
Share of net income (loss)	(279,365)	87,423	(111,010)	(302,952)
Disposal of associate	-	-	-	-
Investment at March 31 2025	2,293,802	4,757,569	8,721,683	15,773,054

### 10 Goodwill

The Corporation performed its annual goodwill impairment assessment for Fortress as at December 31, 2025. The recoverable amount of the cash-generating unit was determined using fair-value less costs to dispose approach based on management's forecasted financial performance and discounted cash flow projections. Key assumptions include

- Growth rate of insurance revenue reflecting management's 5 year forecast for written premium and the expected earning of existing multi-year premium. The growth rate range is between 6 - 57% and terminal value growth is forecasted at 2%.
- Discount rates used are market adjusted and after tax and ranged between 12-14%

Based on the results of this analysis, the recoverable amount exceeded the carrying value of the cash-generating unit, including goodwill, and accordingly no impairment of goodwill was recognized during the year.

	March 31, 2026	December 31, 2025
<b>11 Accounts payable, accrued and other liabilities</b>	<b>\$</b>	<b>\$</b>
Accounts payable	120,268	221,811
Accruals and provisions	905,005	901,937
	<b>1,025,273</b>	<b>1,123,748</b>

### 12 Collateral

Fortress is currently the beneficiary of two standby letters of credit issued by the Bank of Montreal in the amount of \$3,300,000 (\$3,300,000 – December 31, 2025) associated with PVH and with Arch Reinsurance Ltd in the amount of \$2,050,000 (\$2,050,000 – December 31, 2025). From time to time, Fortress holds cash from PVH to cover any amount needed as collateral in excess of the aforementioned letter of credit. As of March 31, 2026, Fortress held \$nil (\$nil – December 31, 2025).

As of March 31, 2026, the company held \$6,131,099 (\$6,131,099 -- December 31, 2025) in restricted cash from a fronting agreement and a surety bond entered into during the year. Lastly, the company held collateral of \$22,204,520 as at March 31, 2026 (\$22,056,668 -- December 31, 2025) in a reinsurance security agreement account for surety bonds written during the year.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

### 13 Interest expense

	March 31, 2026	March 31, 2025
	\$	\$
Interest on loan from related party	13,702	15,065
Interest on convertible debentures	-	134,464
Other interest expense	2,587	4,185
<b>Total interest expense</b>	<b>16,289</b>	<b>153,714</b>

#### Convertible debentures

As at December 31, 2024, the Corporation had issued unsecured convertible debentures ("the Debentures") with an aggregate face value of \$5.0 million and a principal amount of \$1,000 per Debenture. Each Debenture was convertible, at the holder's option, into common shares of Western at a conversion price of \$0.48 per share. The Debentures bore interest at 9.6% per annum, payable semi-annually at the end of March and September, and were scheduled to mature on December 31, 2025.

The Debentures were classified as compound financial instruments, comprising both liability and equity components. The liability component represented the present value of the interest and principal payments, discounted at 15%, which approximated the Corporation's borrowing rate for similar non-convertible debt at the time of issuance in 2023.

The Debentures also included a forced conversion feature allowing Western, at its option, to convert the Debentures into common shares if the closing price of Western's shares on the TSX Venture Exchange reached or exceeded \$0.65 for 20 consecutive trading days. During the six months ended June 30, 2025, these conditions were satisfied, and on March 7, 2025, Western exercised this conversion option. As a result, all outstanding Debentures were converted into 10,582,007 common shares at a conversion price of \$0.4725 per share. At the time of conversion, the carrying value of the liability component was \$4,760,456, and the equity component was \$400,908, resulting in a total increase in share capital of \$5,161,364.

After March 2025, no debentures were outstanding. During the three month period ended March 31, 2025, interest expense of \$134,464 was accounted for with regards to the debentures and \$209,096 paid.

#### Operating loan

The Corporation has a revolving facility agreement (the "facility") with a Canadian financial institution to a maximum amount of \$2,000,000. The facility bears interest at the bank's prime rate plus 2% per annum and is due on demand. Security for the facility includes:

- (a) a general security agreement over all of the Corporation's present and after-acquired property;
- (b) a share pledge agreement in respect to the Corporation's interest in some certain of its associates; and
- (c) an assignment of material contracts.

As at March 31, 2026, \$nil was drawn on the facility (December 31, 2025 – \$nil).

### 14 Loan from related party

The Corporation holds a \$0.9 million shareholder loan from Golden (December 2025 – \$0.9 million). The loan bears interest at 6.09% annually, payable with monthly interest only and matures annually on January 31 with automatic annual renewal if all amounts of interest owing are not in default. There have been no amounts in default since the inception of the loan and there are no financial covenants affecting the loan. The Corporation has signed a share pledge agreement with respect to its interest in Golden as security for the loan. During the period ended March 31, 2026, Golden declared dividends to its shareholders. Western's share of the dividend was \$315,000 which was received in April 2026, refer to the subsequent events note. (Western's share of the dividends declared in the year ended December 31, 2025 was \$150,000 of which \$105,000 was applied to the loan and the balance received in cash).

### 15 Capital management

The Corporation's capital consists of share capital and debt. The Corporation's objective for managing capital is to maintain sufficient capital to cover its expenses and to identify, evaluate and execute acquisitions of private businesses that meet its investment criteria. The Corporation sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Corporation's objectives when managing capital are:

- to maintain a flexible capital structure, which optimizes the cost of capital and acceptable risk;
- to maintain investor, creditor and market confidence in order to sustain the future development of the business, and
- to maintain compliance with minimum capital requirements under statutory insurance legislation.

The Corporation is subject to certain requirements and restrictions under statutory insurance legislation in Alberta, which apply to the regulated insurance company of Fortress. Property and casualty insurance companies must maintain minimum levels of capital as determined in accordance with a prescribed test, the minimum capital test ("MCT"), which expresses available capital (actual capital plus or minus specified adjustments) as a percentage of required capital. Dividend restrictions are also regulated. As at March 31, 2026, Fortress was in compliance with the MCT requirements.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### 16 Share capital

#### Authorized

Unlimited number of preferred shares, without par value

Unlimited number of common shares, without par value

#### Issued

There are no preferred shares issued to date.

The following is a summary of the common shares issued as at March 31 2026, and as at December 31, 2025.

	Number of shares	Amount \$
<b>Balance December 31, 2024</b>	148,269,043	46,171,043
Conversion of debentures	10,582,007	5,161,364
<b>Balance December 31, 2025</b>	<b>158,851,050</b>	<b>51,332,407</b>
Share options exercised	251,213	-
Warrants exercised	1,221,078	7,050
Transfer of contributed surplus	-	1,180,654
<b>Balance December 31, 2025</b>	<b>160,323,341</b>	<b>52,520,111</b>

On December 19, 2024, the Corporation closed a private placement and issued 75,000,000 shares for gross proceeds of \$30 million. Transaction costs relating to this transaction of \$897,519, were recorded in equity. Each unit subscribed to in the private placement included one common share and one share purchase warrant. Each warrant will be exercisable to purchase one additional common share for a period of 5 years from the date of closing at an exercise price of \$0.47. The fair value of the warrants, as determined by the Black-Scholes option pricing model, was \$16.8 million and is included in contributed surplus.

In the quarter ended March 31, 2026, 2,715,000 warrants were exercised, and 1,221,078 common shares were issued. 2,700,000 of the warrants exercised were subject to a cashless transaction, whereby option holders were able to realize the gains on the options into common shares. The remaining 15,000 raised \$7,050. As at March 31, 2025, 72,285,000 warrants remained outstanding.

During the period ended March 31, 2026, 611,000 options were exercised with a strike price ranging from \$0.35 - \$0.50 as part of cash-less transactions whereby option holders were able to realize the gains on the options into common shares. This resulted in 251,213 common shares being issued.

In the quarter ended March 31, 2026, a transfer of \$1,180,654 was made from contributed surplus to share capital following the exercise of warrants and share options to reflect the value previously recognized in equity in respect of such instruments upon the issuance of common shares.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### Omnibus equity incentive plan

During the previous year the Corporation approved and adopted an Omnibus Equity Incentive plan with the purpose of developing the interest of Service Providers (directors, officers, bona fide Employees and bona fide Consultants of the Corporation and/or any Related Entity) in the growth and development of the Corporation by providing such persons with the opportunity to acquire a proprietary interest in the Corporation. The plan was approved by the Board of directors on September 22, 2025 and by the TSX Venture exchange on September 29, 2025.

The Plan seeks to achieve these purposes by providing for awards in the form of Stock Options, Restricted Share Units (RSUs), Performance Share Units (PSUs), Deferred Share Units (DSUs) and Dividend-Equivalent Rights (all together referred to as equity-based awards) and provides governance of how equity-based awards are granted, managed and settled.

In terms of the plan, the Board of Directors of the Corporation may, from time to time, at its discretion, and in accordance with the TSX Venture Exchange requirements, grant Service providers equity-based awards provided that the number of common shares reserved for issuance under the plan shall not exceed 10% of the issued and outstanding common shares.

### Convertible Debentures

In February 2025, Western notified holders of the debentures issued under the debenture indenture dated October 24, 2023, between Western and Odyssey Trust Company (the "Indenture"), that the forced conversion provisions of the Indenture had been triggered. This occurred after the 20-day volume-weighted average price of Western's common shares reached \$0.67 on February 25, 2025, surpassing the \$0.65 threshold per the Indenture. The outstanding principal of \$5,000,000 was subsequently converted into 10,582,007 common shares of Western at a conversion price of \$0.4725/ share as of the close of business on March 7, 2025. Accrued and unpaid interest from October 1, 2024 to March 7, 2025, was paid to debenture holders at the time of conversion, and all debentures were cancelled effective March 7, 2025.

### Stock options

During the period ended March 31, 2026, no Western stock options were issued (March 31, 2025 – zero).

### Options outstanding as at March 31, 2026

Grant date	Expiry date	Exercise price (\$)	Number of options	Remaining contractual life (years)	Fair value of options at grant date (\$)
Feb 24 2016	Feb 24 2026	0.50	270,000	0.00	0.60
Apr 06 2016	Apr 06 2026	0.56	140,000	0.02	0.46
Apr 21 2017	Apr 21 2027	0.65	30,000	1.06	0.39
Jun 19 2017	Jun 19 2027	0.65	150,000	1.22	0.33
Jul 04 2018	Jul 04 2028	0.50	295,000	2.26	0.23
Aug 23 2019	Aug 23 2029	0.40	273,000	3.40	0.25
Jun 01 2020	Jun 01 2030	0.27	360,000	4.17	0.17
May 03 2021	May 03 2031	0.27	360,000	5.09	0.18
Jun 29 2022	Jun 29 2032	0.34	200,000	6.25	0.24
Jun 22 2023	Jun 22 2033	0.35	250,000	7.23	0.21
Oct 17 2024	Oct 17 2034	0.49	120,000	8.55	0.34
<b>TOTAL number of options</b>			<b>2,448,000</b>		

A total of 2,448,000 options are outstanding and exercisable as at March 31, 2026 (December 31, 2025: 3,059,000) with a weighted average exercise price of \$0.42 (2024 : \$0.42). The weighted average remaining contractual life of the outstanding options was 3.77 (December 31, 2025 : 4.38).

During the period ended March 31, 2026, 611,000 share options were exercised (no options were exercised in the period ending March 31, 2025).

270,000 options with an expiry date of February 24, 2026 are subject to trading restrictions at the date of expiry, and will be exercised at the next available date when the trading restrictions are lifted.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### Restricted share units

During the year ended December 31, 2025, 3,253,966 Restricted Share Units were issued to officers. These units represent the right, that upon vesting, the participant would have the right to receive one fully paid up share per unit on the date of redemption. 50% of these units vest 5 years from the issue date, with the remaining 50% vesting 10 years from the issue date. No additional Restricted Share Units were issued in the period ending March 31, 2026.

Grant date	Vesting date	Number of units issued	Fair value of RSUs at grant date (\$)	Remaining contractual life (years)	Amount expensed in the Income statement in the current year
Sep 29 2025	Aug 06 2030	833,333	508,333	4.35	25,068
Sep 29 2025	Aug 06 2035	833,334	508,333	9.36	12,531
Sep 29 2025	Aug 31 2030	396,825	242,063	4.42	11,937
Sep 29 2025	Aug 31 2035	396,825	242,063	9.42	5,967
Nov 03 2025	Nov 02 2030	403,226	246,032	4.59	12,133
Nov 03 2025	Nov 02 2035	403,226	246,032	9.60	6,065
		<u>3,266,769</u>			<u>73,702</u>

### Share repurchases

Up until February 9, 2025, the Corporation had regulatory approval for a normal course issuer bid (the "Bid") whereby Western may have purchased up to a total of 5.0% of common shares issued and outstanding at the time the bid was last renewed. The Bid was for a one-year term. As at March 31, 2026, no active Bid was in place.

For the period ended March 31, 2026, no common shares were repurchased (December 31, 2025 – 0).

### 17 Employee share ownership plan

The Corporation's wholly owned subsidiary, Fortress has implemented an Employee Share Ownership Plan (ESOP), which previously granted employees the option to acquire shares of Fortress. The primary objective of the ESOP is to align the interests of employees with those of shareholders and to provide employees with an opportunity to share in Fortress's success.

Subsequent to the October 1, 2024, acquisition, Fortress entered into an agreement, outlining that options granted under the Fortress ESOP would be settled with shares of the Corporation. This agreement applies to all options previously granted and to be granted in the future. Settlement may occur by cash, or by buying Western's shares in the open market or through Western's treasury. As at the acquisition date, 678,414 options were outstanding. The fair value of all vested options, as determined by the Black-Scholes option pricing model, was \$933,916.

This was included in the business combination as part of the non-controlling interest. After the acquisition, the unvested portion of these Fortress options will be recognized in consolidated profit or loss as they vest and are earned by the employees, based on their fair value as determined by the Black-Scholes option pricing model. In the period ended March 31, 2026 a release of \$40,873 was recognized as an income in the consolidated profit and loss (For the year ended December 31, 2025 there was an expense of \$303,264).

Fortress's grants recognized at acquisition have a term of 1.00-3.75 years, with vesting periods of immediate to 1.75 years. As at March 31, 2026, 655,018 options were outstanding under the ESOP (December 31, 2025 - 686,863), 630,740 of which are exercisable (December 31, 2025 - 623,159). Exercise prices are between \$0.44- \$2.78 (December 31, 2025 - \$0.44 - \$2.78) with vesting dates until December 31, 2027. For the period ended March 31, 2026, each option outstanding had a fair value between \$0.85 - \$2.59 (Year ended December 31, 2025 \$0.87 - \$2.58) and the weighted average duration of the options was 2.13 years (December 31, 2025 1.99 years) with 312,500 of the outstanding options having no maturity date.

The key inputs into the Black-Scholes model are a dividend yield of 0.0%, volatility of 25.97% and risk free rates in the range of 2.77%-2.93%.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### 18 Net Investment income and other finance income

For the three month period ending March 31, 2026	Income (fees) \$	Net realized gains and losses \$	Changes in fair value \$	Net investment return \$
<b>Debt securities</b>				
At fair value through OCI	11,672	109,483	-	121,155
<b>Equities</b>				
At fair value through profit/loss	8,708	25,873	-	34,581
<b>Short-term investments</b>				
At fair value through profit/loss	-	-	-	-
<b>Cash and cash equivalents</b>				
At amortized cost	215,522	-	-	215,522
Management fees paid	(29,466)	-	-	(29,466)
<b>Net investment income</b>	<b>206,436</b>	<b>135,356</b>	<b>-</b>	<b>341,792</b>
<b>Glassmasters Promissory note</b>				
At amortized cost	54,350	-	-	54,350
<b>Cash and cash equivalents</b>				
At amortized cost	234,900	-	-	234,900
<b>Loans to related parties</b>				
At amortized cost	42,716	-	-	42,716
<b>Other Finance Income</b>	<b>331,966</b>	<b>-</b>	<b>-</b>	<b>331,966</b>
<b>Net Investment income and Other Finance Income</b>	<b>538,402</b>	<b>135,356</b>	<b>-</b>	<b>673,758</b>
<b>For the twelve month period ending December 31, 2025</b>				
	<b>Income (fees) \$</b>	<b>Net realized gains and losses \$</b>	<b>Changes in fair value \$</b>	<b>Net investment return \$</b>
<b>Debt securities</b>				
At fair value through OCI	24,713	15,012	-	39,725
<b>Equities</b>				
At fair value through profit/loss	19,892	19,695	(77,755)	(38,168)
<b>Short-term investments</b>				
At fair value through profit/loss	34,243	-	-	34,243
<b>Cash and cash equivalents</b>				
At amortized cost	107,234	-	-	107,234
Management fees paid	(13,298)	-	-	(13,298)
<b>Net investment income</b>	<b>172,784</b>	<b>34,707</b>	<b>(77,755)</b>	<b>129,736</b>
<b>Glassmasters Promissory note</b>				
At amortized cost	163,050	-	-	163,050
<b>Cash and cash equivalents</b>				
At amortized cost	177,802	-	-	177,802
<b>Loans to related parties</b>				
At amortized cost	24,933	-	-	24,933
<b>Other Finance Income</b>	<b>365,785</b>	<b>-</b>	<b>-</b>	<b>365,785</b>
<b>Net Investment income and Other Finance Income</b>	<b>538,569</b>	<b>34,707</b>	<b>(77,755)</b>	<b>495,521</b>

For the period ended March 31, 2026, Total dividend income was \$8,708 (March 31, 2025 : \$19,892) and Total interest income was \$559,160 (March 31, 2025 : \$531,975)

### 19 Gain on sale of investment in associate

On February 2, 2026, the Corporation completed the sale of its investment in Glassmasters and the Promissory note from GlassMasters for gross proceeds of \$24.8 million, and \$23.3 million net of transaction and legal costs. The carrying value of the investment and the Promissory note at the date of disposition were \$4.2 million and \$4.7 million respectively, resulting in a realized gain on sale of \$14.4 million, which has been recognized in the consolidated statement of income.

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### Reconciliation of Gain on sale of associate

	Equity Investment	Promissory note	TOTAL
	\$	\$	\$
Gross proceeds	20,054,599	4,712,909	24,767,508
Less: Transaction and legal costs	(1,466,692)	-	(1,466,692)
<b>Net proceeds</b>	<b>18,587,907</b>	<b>4,712,909</b>	<b>23,300,816</b>
Investment in Glassmasters	4,233,793	-	4,233,793
Promissory note	-	4,712,909	4,712,909
<b>Book value of equity investment and Promissory note</b>	<b>4,233,793</b>	<b>4,712,909</b>	<b>8,946,702</b>
<b>Gain on sale before tax</b>	<b>14,354,114</b>	<b>-</b>	<b>14,354,115</b>

The transaction has substantially been completed as at March 31, 2026; however, the final determination of the gain on sale remains subject to customary post-closing adjustments, including the completion and agreement of final working capital adjustments. Accordingly, the amounts recognized in these consolidated financial statements represent management's current best estimate and may be subject to change upon final settlement of the transaction.

### Tax on gain

In accordance with the Corporation's accounting policy, deferred tax assets related to unclaimed tax losses are recognized only when realization of those losses is considered probable. As at December 31, 2025, Western had not recognized a deferred tax asset in respect of these losses and had approximately \$10.5 million of unclaimed non-capital losses and \$3.5 million of unclaimed capital losses available. The gain arising from the transaction is expected to be taxable as a capital gain and offset by these accumulated tax losses. Accordingly, no income taxes are expected to be payable in connection with the transaction.

### 20 Dividends declared

No dividends were declared or paid in 2026 (2025 nil).

### 21 Earnings (loss) per common share

Earnings (loss) per common share is calculated as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Net income (loss) for the year	12,517,927	(998,858)
Basic weighted average number of common shares outstanding	159,199,390	151,208,489
Effect of dilutive securities	78,213,110	75,993,573
Diluted weighted average number of common shares outstanding	237,412,500	227,202,062
Basic earnings (loss) per common share	0.079	(0.007)
Diluted earnings (loss) per common share	0.053	(0.007)

As at March 31, 2025, there were 2,448,000 share options outstanding (2025 – 3,059,000). Of these options, none were anti-dilutive (2025 – 180,000).

### 22 Supplemental cash flow information

The net change in non-cash working capital is as follows:

	March 31, 2026	March 31, 2025
	\$	\$
Accounts receivable	31,816	(69,426)
Accrued interest receivable	-	43
Income taxes	94,111	(32,591)
Reinsurance contract assets	(4,103,247)	(3,408,099)
Fronting contract assets	(160,768)	-
Prepaid assets	375,479	(213,674)
Accounts payable	(98,475)	(783,149)
Fronting payable	442,338	(895,000)
Due to/from related parties	22,553	(265,038)
Collateral held	-	(128,766)
Share based compensation payments	(18,246)	-
Insurance contract liabilities	4,146,251	4,997,049
Fronting contract liabilities	85,186	-
Other liabilities	(116,535)	(152,724)
	700,463	(951,375)

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

### 23 Due from related parties

As at December 31, the following amounts are due (to) from related parties:

	March 31, 2026	December 31, 2025
<b>Amounts due from associates</b>	<b>\$</b>	<b>\$</b>
GlassMasters management fees	-	81,615
GlassMasters interest due on promissory note	-	163,049
Foothills shareholder loan	1,386,952	1,318,465
	<b>1,386,952</b>	<b>1,563,129</b>
<b>Due to related parties</b>		
Payable from cost-neutral arrangement	(56,909)	(26,925)
Receivable from auto premiums	29,952	20,900
	<b>(26,957)</b>	<b>(6,025)</b>
<b>Amounts due to Fortress from an entity controlled by shareholder of the Corporation</b>		
Deductibles recoverable from policy holders	<b>2,031,885</b>	<b>2,172,385</b>

In 2022, the Corporation provided Foothills with a \$250,000 shareholder loan bearing interest at 13% per annum. On December 6, 2024, Western advanced an additional \$250,000 to Foothills under the same arrangement. Any unpaid interest and management fees are capitalized and added to the outstanding principal balance.

The loan had an initial term of one year and may be extended in successive six-month increments at Western's discretion. Upon maturity, Western may elect to convert the outstanding principal together with all accrued and unpaid interest into common shares of Foothills at a conversion price of \$1.00 per share. If this conversion right is exercised, Western will also receive share purchase warrants equal to one-third of a warrant for each share issued on conversion. Each whole warrant entitles Western to acquire one additional Foothills share.

Because the loan includes features that result in cash flows not solely representing payments of principal and interest, it is classified as fair value through profit or loss. As at March 31, 2026, the loan's fair value was determined to be \$1,386,952 (December 31, 2025 - \$1,318,465), comprising principal of \$836,700, accrued interest of \$288,231 (December 31, 2025 - \$245,515), and management fees of \$255,938 (December 31, 2025 - \$236,250). The valuation is based on Level 3 inputs using a discounted cash flow model.

On December 31, 2025, Western exercised its sixth six-month extension option, resulting in a new maturity date of June 30, 2026.

The Corporation has a cost neutral mechanism in place with Prairie View Holdings Ltd. ("PVH"), a subsidiary of a shareholder of Western. At March 31, 2026, the amount payable to PVH was \$56,909 (December 31, 2025- \$26,925). For all balances that are payable over \$250,000 for the cost neutral mechanism, PVH maintains the right to ask for payment to bring the balance outstanding down to this limit. There are no fixed repayment terms for the balance outstanding.

### 24 Related party transactions

Western's related parties consist of directors and officers of Western and its subsidiary, and Western's associates. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	March 31, 2026	March 31, 2025
The following is a summary of the Corporation's transactions with related parties:	<b>\$</b>	<b>\$</b>
<b>Transactions with associates</b>		
Management fees	18,750	37,500
Finance Income	54,350	163,050
Dividends received	-	90,000
Interest expense	(13,703)	(15,066)
<b>Transactions with entities controlled by shareholders of the Corporation</b>		
Office rent	-	-
<b>Prairie View Holdings Ltd</b>		
Cost and capital neutral mechanism	12,889	4,767
Auto premiums for the year	50,800	53,700
Deductibles assumed by policyholder	123,938	155,711
Claim expense for deductibles assumed	(123,938)	(155,711)
<b>Tevir Capital holdings</b>		
Management fee	127,501	127,501

# The Western Investment Company of Canada Limited

## Notes to the Consolidated Financial Statements

For the period ended March 31, 2026

Finance income relates to interest earned on loans to associates. As at March 31, 2026, \$nil in interest was due from associates (December 31, 2025 – \$163,049).

The Corporation has a management services agreement in place with the Tevir Capital Corp (“Tevir”), a company owned by the CEO. The agreement was signed December 6, 2024, for a two-year term with annual renewal thereafter with management fees being charged from January 1, 2025. The management fee payable under this agreement is \$500,000 annually plus expenses, payable on monthly basis. As at March 31, 2026 \$nil was outstanding (December 31, 2025 \$nil).

From the fourth quarter of 2025, Tevir manages the investments of the group, however as at March 31, 2026, no amount was charged by Tevir in this regard.

During the period year ended March 31, 2026, \$629,331 in salaries and benefits was paid or payable to key members of management (2025 – \$316,370), and an expense of \$73,702 for share-based compensation to key management and directors was recorded (2025 - \$Nil).

### 25 Subsequent events

On April 2, 2026, dividends totalling \$315,000 from Golden were received by Western from two of the homes where Western has an interest.