

# ANNUAL REPORT 2025-26

**CIC**

**Crown  
Investments  
Corporation**  
OF SASKATCHEWAN





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# Letter of Transmittal

Regina, Saskatchewan  
June 2026

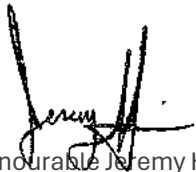
Her Honour The Honourable Bernadette McIntyre, S.O.M.  
Lieutenant Governor of Saskatchewan  
Province of Saskatchewan

May it please Your Honour:

I have the honour to submit herewith the annual report of the Crown Investments Corporation of Saskatchewan for the fiscal year ending March 31, 2026, in accordance with *The Crown Corporations Act, 1993*.

The Financial Statements included in this annual report are in the form approved by Crown Investments Corporation of Saskatchewan, as required by *The Financial Administration Act, 1993* and have been reported on by the auditors.

Respectfully submitted,



Honourable Jeremy Harrison  
Minister of Crown Investments Corporation



# Message from the Minister

In 2025-26, Saskatchewan's Crown corporations demonstrated the critical role they play for the residents and businesses of Saskatchewan by delivering the essential services people rely on every day, while helping build a stronger and more secure future.

Across the Crown sector, our focus remained clear: protect Saskatchewan, support our communities, and provide affordable and reliable services to the people of this province. To accomplish this, more than 11,000 Crown sector employees play a vital role in protecting critical infrastructure, programs, and services across Saskatchewan.

This year, the Crown sector advanced important priorities that support Saskatchewan's long-term growth and resilience, including the release of the Saskatchewan First Energy Security Strategy and Supply Plan—a significant step toward strengthening our province's energy future through an all-of-the-above approach to energy security. A key focus of the Strategy is Powering Growth, which includes advancing Saskatchewan's nuclear capabilities, strengthening transmission infrastructure by connecting the province's north and south grids, and developing our resources and partnerships to further the provincial Growth Plan.

Saskatchewan's strong economy continues to grow and attract investments. Bell Canada announced Saskatchewan as the chosen site to build one of the largest AI data centres in Canada. This \$12 billion investment is a direct result of the strength of our grid and the availability of reliable baseload power.

This growing economic momentum underscores the importance of a strong, reliable foundation of public services—especially in times of crisis. That strength was put to the test during the devastating wildfires that affected northern Saskatchewan last summer. Across the sector, Crowns mobilized quickly to maintain essential services, protect critical infrastructure and deliver relief to residents, communities, and businesses. This included restoring and safeguarding power and telecommunications networks, providing flexible billing and financial relief measures, and working closely with local and provincial partners to ensure affected communities had access to the resources and services they needed during an incredibly challenging time.

The Crowns also continue to deliver value for Saskatchewan people through prudent financial management and meaningful returns to the General Revenue Fund, supporting government priorities and the public services that matter most to families and communities.

These achievements reflect the dedication of employees, leadership teams, and boards across the Crown sector. I want to thank them for their hard work, professionalism, and commitment to serving the people of Saskatchewan. Their efforts help protect what matters most while ensuring Saskatchewan remains strong, competitive, and well positioned for the future.

As the holding company, CIC continues its strong leadership and support to Saskatchewan's commercial Crown corporations. By delivering reliable services, strengthening critical infrastructure, and supporting economic growth, the Crown sector remains focused on meeting the needs of Saskatchewan residents and businesses today while preparing for the future.

A handwritten signature in black ink, appearing to read 'Jeremy Harrison'.

Jeremy Harrison  
CIC Board Chair



# Message from the President

Saskatchewan's Crown corporations play a vital role in delivering reliable, affordable services that people and communities depend on every day. CIC provides the oversight necessary for the Crown sector to continue to provide stability and value, ensuring these essential services remain reliable, sustainable, and responsive to the needs of a growing province.

This past year has been defined by significant achievement and forward momentum. Saskatchewan's Crown corporations invested \$2.6 billion in critical infrastructure, enhancing reliability today while building capacity for tomorrow. Our Crowns are also strengthening the foundations of everyday life. Critical infrastructure continues to safely and reliably reach more homes, farms, businesses, and industries. At the same time, Saskatchewan's telecommunications network is expanding and extending fibre optic and 5G connectivity to more communities than ever before.

Saskatchewan Crowns corporations invest in communities large and small across the province. They bolster local economies by strengthening local supply chains and prioritizing local and Indigenous suppliers. They also contribute back to the communities they serve with grants for education and community initiatives that enrich the quality of life for Saskatchewan residents.

CIC is proud to provide leadership and oversight to this dynamic sector, working in partnership with more than 11,000 dedicated employees whose expertise and commitment drive these achievements. Together, we are ensuring Saskatchewan's Crown corporations remain innovative, efficient, and responsive, protecting the interests of the province while positioning Saskatchewan for continued success in an increasingly complex global environment.



Kent Campbell  
President & CEO

# Highlights 2025-26

**LGS**

**\$9.0 million**



Charitable gaming grants provided to 378 Saskatchewan communities

**SaskEnergy**

**\$430 million**



Capital spending to meet growing customer demand and maintain system integrity



**SaskTel**

**94%**

94% of Saskatchewan has 5G coverage



**SGI**

**978,080**

Active policies across Canada

**SaskWater**

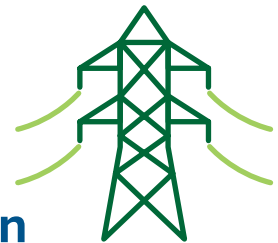
**68 kms**



Potable and non-potable pipelines added

**SaskPower**

**\$1.6 billion**



Invested in modernizing and growing the provincial electricity system

# Corporate Information

## Corporate Overview

Crown Investments Corporation of Saskatchewan (CIC) is the financially self-sufficient holding company for six subsidiary commercial Crown corporations and one wholly-owned subsidiary. CIC is responsible for the development and oversight of broad Crown sector public policy initiatives, directing sector investments, and collecting and providing dividends to the provincial government's General Revenue Fund (GRF).

CIC oversees and manages a comprehensive framework designed to strengthen governance, performance, and accountability of subsidiary Crowns. It also assists subsidiary Crown boards to carry out their responsibilities of directing and overseeing the management of the Crowns.

The corporation implements governance, enterprise risk management, and reporting and disclosure practices which are consistent with those of publicly traded companies and where such practices can reasonably be applied to the public sector. Specifically, CIC provides oversight on behalf of the government by:

- providing strategic shareholder direction and managing Crown sector performance,
- promoting best practices in Crown-sector governance and disclosure, and,
- developing broad policy initiatives and administering select government programs.

## Corporate Mandate

CIC's governing legislation and mandate are defined by *The Crown Corporations Act, 1993*:

- It is the holding company for all subsidiary Crown corporations, exercising supervisory powers granted in the interest of all Saskatchewan residents; and
- It is the agency responsible for making and administering investments on behalf of the Government of Saskatchewan.

## Holdings

CIC exercises supervisory responsibilities over its subsidiary Crown corporations in addition to operating as a Crown corporation itself. As of March 31, 2026, the subsidiary Crown corporations and wholly-owned subsidiary included:



### Insurance

Saskatchewan Government Insurance (SGI CANADA)<sup>1</sup>



### Investment & Economic Growth

CIC Asset Management Inc. (CIC AMI)



### Entertainment

Lotteries and Gaming Saskatchewan (LGS)



### Utilities

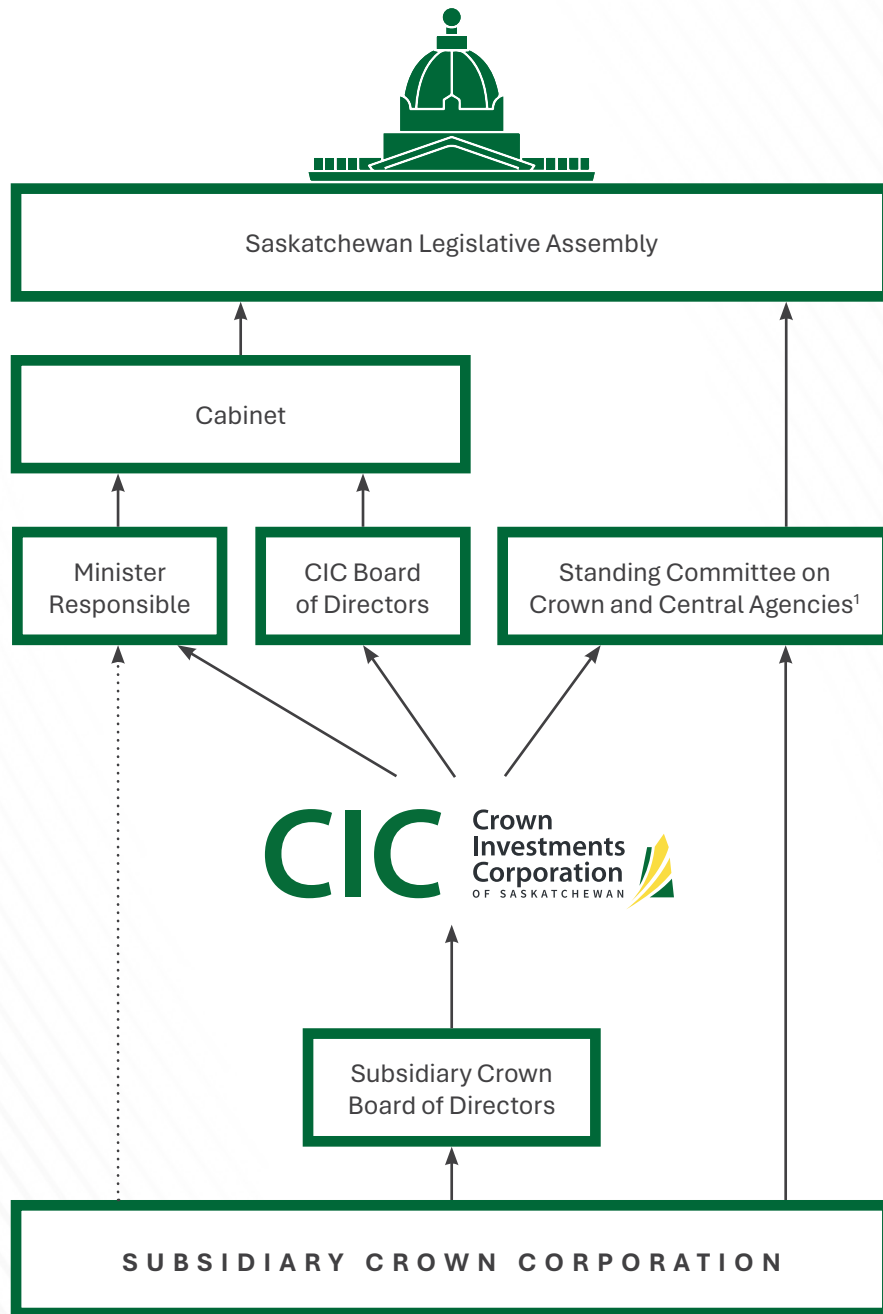
Saskatchewan Power Corporation (SaskPower)  
Saskatchewan Telecommunications (SaskTel)  
SaskEnergy Inc. (SaskEnergy)  
Saskatchewan Water Corporation (SaskWater)

<sup>1</sup> SGI CANADA administers the Saskatchewan Auto Fund, which is not a subsidiary Crown corporation; however, summarized operating results are provided in CIC's Consolidated Management Discussion & Analysis.

## Financial & Public Accountability

The following chart depicts the accountability structure of CIC Crown corporations to both the government and the Standing Committee on Crown and Central Agencies, an all-party committee of the legislative assembly. It illustrates the flow of the reporting structure for decision items and performance management as well as the oversight responsibilities of:

- the government (as the Shareholder and mandating body for the Crown corporations),
- the CIC Board (a Cabinet committee, as the representative of the Shareholder, to ensure mandates and activities are consistent with the interest and intent of government), and,
- each Crown corporation's board of directors (as the stewardship body with fiduciary duty for the Crown's operations).



<sup>1</sup> The Standing Committee on Crown and Central Agencies considers matters related to CIC and its subsidiaries. Reports of the Provincial Auditor, as they relate to CIC and its subsidiaries, are permanently referred to the Standing Committee on Crown and Central Agencies.

# Crown Sector Alignment

## Government's Vision and Goals

The Crown sector plays an important role in achieving government's direction for the province. The government's vision and goals, as outlined in *Saskatchewan's Growth Plan: The Next Decade of Growth*, provincial budget, and Premier's four priorities, are the foundation for the Crown Sector Strategic Priorities.

## Crown Sector Strategic Priorities

The Crown Sector Strategic Priorities (CSSPs) provide high-level shareholder direction used to align the Crown sector with the government's goals and priorities. The CSSPs provide direction in a manner that subsidiary Crowns can incorporate into their strategic business plans and support Crown boards in fulfilling their oversight role to achieve outcomes for the province.

Consistent with government direction, the CSSPs direct Crown corporations to continue meeting their commercial mandates and achieve sustainable financial returns while helping to advance key provincial priorities that contribute to the economic growth of the province and improve the quality of life for the people of Saskatchewan. The following four strategic priorities guided 2025-26 Crown sector planning:



### Affordability

The Crown sector will deliver affordable and competitive products and services to Saskatchewan people, communities, and businesses.

### Reliability

The Crown sector will make the investments necessary to ensure safe, high-quality, and reliable services are delivered to Saskatchewan people, communities, and businesses.



### Economic Growth

The Crown sector will support economic growth that contributes to Saskatchewan's quality of life. Crowns will collaborate to increase Saskatchewan's competitiveness to attract new investment and strengthen supply chains.

### Strong Financial Management

The Crown sector will operate competitive and sustainable businesses, prudently manage resources and provide positive financial returns.



# Operating Context

## Providing Shareholder Direction and Performance Management

CIC communicates Shareholder direction to its subsidiary Crown corporations and monitors their performance against targets and measures approved by the CIC Board. The strategic performance management framework (“the framework”) demonstrates how strategic direction is relayed and performance is managed in the Crown sector.

### Strategic Shareholder Direction

The first stage in the framework is the development of the Crown Sector Strategic Priorities (CSSPs) which are approved by the CIC Board annually. The CSSPs articulate shareholder expectations and provide medium to long-term direction to the Crown sector. CIC ensures that the Crowns are working towards achieving the CSSPs outlined on page 6.

### Subsidiary Crown Corporation Plans

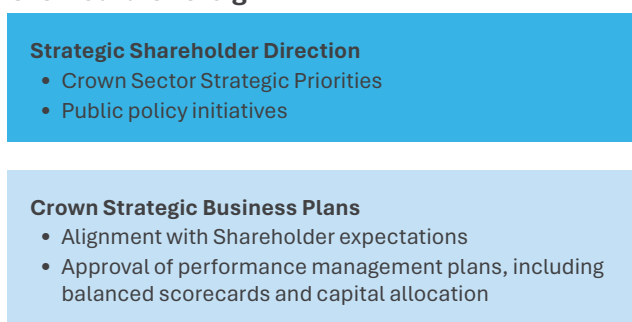
The second stage is the development of the subsidiary Crowns’ strategic business plans, demonstrating alignment with shareholder direction contained within the CSSPs. Each subsidiary Crown prepares a comprehensive performance management plan that includes a balanced scorecard with measures and targets that link to the broad strategic directions established in the CSSPs and its strategic business plan. Crown strategic business plans are prepared by Crown management and are then considered and approved by subsidiary Crown boards.

### Performance Management Approval and Reporting

The third stage is consideration and approval of subsidiary Crown performance management plans by the CIC Board. Every year, the CIC Board evaluates each Crown’s performance management plan for the upcoming year. This includes ensuring that each Crown has assessed its risks and created strategies that address those risks and meet government priorities to maintain sustainable Crown corporations and strong services. In addition to approving performance objectives and targets, the CIC Board also determines the capital allocation among Crown corporations for reinvestment, debt and dividends. The CIC Board may provide further direction to a Crown prior to approving the final plan. Throughout the year, CIC monitors progress toward achieving each Crown’s goals, with quarterly reviews and reports submitted to the CIC Board.

## CIC’s Strategic and Performance Management Framework

### CIC Board Oversight



### Subsidiary Crown Board Oversight



## Promoting Best Practices in Crown Sector Governance

CIC assists its subsidiary Crown corporations' boards of directors in adapting and implementing leading corporate governance practices and standards as applicable to a public enterprise. In doing so, CIC:

- delivers centralized corporate secretarial and governance advisory services to the Crown boards;
- supports boards in identifying director skill sets required for effective functioning;
- develops and implements assessment tools to assist Crown boards to improve performance;
- sponsors a professional development training program leading to a director designation and general governance training to enhance overall board skills and knowledge; and,
- facilitates relationship-building among subsidiary Crown corporations' board members.

## Communication of Shareholder Expectations

Open, timely and reliable communication between the shareholder and each Crown board is essential to a successful governance framework and sound decision making. CIC and its subsidiary Crown corporations engage in several effective communications channels, including:

- periodic meetings between the chairs of the Crown boards and senior CIC officials to discuss shareholder priorities and share information regarding matters of mutual interest,
- meetings with the chairs of committees of the Crown boards to discuss initiatives and emerging trends that will impact the committee's area of responsibility,
- periodic reports from the Crown board chairs to the CIC Board highlighting items of significance, major Crown initiatives and significant corporate risks;
- meetings between the CIC President and CEO, the board chairs and presidents of subsidiary Crown corporations; and,
- on request, attendance by CIC senior officials at Crown board meetings to discuss matters of mutual interest.

## Management Certification of Financial Statements

In the interest of public accountability, CIC and its subsidiary Crown corporations certify their internal controls over financial reporting. Crown sector CEO/CFO certification is similar to the certification policies implemented by the Canadian Securities Administrators for publicly listed companies. CIC ensures that the Crown sector follows best practices for publicly accountable companies.

## Accountability and Transparency

CIC has developed a comprehensive performance assessment system applicable to each of its subsidiary Crown boards. Evaluations are conducted on a three-year cycle. In 2025-26, all Crown boards conducted board and board Chair evaluations. Evaluations are conducted via online surveys and follow-up interviews are done with individual directors where necessary to clarify responses. If required, each Crown board is responsible for developing an action plan to address the results of the performance evaluations.

## Governance Rating

In 2021-22, CIC implemented a revised corporate governance evaluation model, process and instrument, developed by Governance Solutions Inc. (GSI). Its purpose is to gauge the integrity and effectiveness of corporate governance in CIC's Crown corporations through a governance index. GSI conducted its independent assessment by reviewing each Crown's public disclosure documents, annual reports, corporate governance statements and information received directly from the Crowns. Each Crown's performance and governance practices were then benchmarked against those of selected leading comparator organizations in the public and private sectors in Canada (the "Index"). In 2024-25, CIC Crowns collectively achieved an overall governance index score of 95 per cent compared to the average score of 75 per cent for other organizations in the Index. This score is an indicator of the Crown sector's strength in governance policy relative to comparators. Crown boards have consistently scored as high-performance organizations in the more than 20 years that CIC has been conducting external assessments. The assessments are conducted on a three-year cycle, with the next one taking place in 2027-28.

## Board Professional Development

CIC is committed to providing the members of its subsidiary Crown boards with the education necessary to effectively discharge their responsibilities. CIC has sponsored governance training programs for members of the subsidiary Crown boards since 1998. From 2009 to 2016, CIC offered The Directors College Chartered Director Certification Program to board members, which led to a designation as a chartered director (C.Dir) for those who completed all of the modules and passed the qualifying exam. In 2017, CIC partnered with the Institute of Corporate Directors (ICD) to enable eligible board members to take the ICD's Director Education Program and receive an ICD.D designation. As of March 2026, 59 per cent of Crown board members have attained their C.Dir or ICD.D. In addition to its continued support of the ICD Director Education Program, CIC also sponsors education and development opportunities available to all subsidiary Crown directors throughout the year.

## Enterprise Risk Management

CIC and its subsidiary Crown corporations follow the CIC Subsidiary Enterprise Risk Management (ERM) Minimum Standards Policy. This policy requires Crowns to meet or exceed recognized corporate governance practices and public sector expectations for accountability and transparency.

ERM provides a structured approach to identifying and managing risks and opportunities. This includes identifying key risks, assessing their potential impact and likelihood, prioritizing them, and establishing strategies to manage risks or realize opportunities. Ongoing monitoring and reporting support effective oversight and timely decision-making.

This approach focuses attention on the risks most relevant to achieving each Crown corporation's objectives, while also supporting improved internal controls, operational efficiency, and the reduction of duplication.

In alignment with the policy, management and boards of directors of each subsidiary Crown corporation are responsible for implementing ERM processes appropriate to their operations. Risk tolerance is set by management and approved by each board, with consideration given to factors such as mandate, financial position, legal and regulatory requirements, reputation, and operations. Risk tolerance limits are established to ensure that higher-risk areas receive appropriate attention and action.

Each subsidiary Crown corporation integrates ERM into its strategic business planning and annual performance management processes. These plans are reviewed and approved by both the subsidiary board and the CIC Board, with progress monitored through quarterly reporting.

Further details on ERM outcomes are provided in each subsidiary Crown corporation's annual report.



## CIC's Risk Assessment Process

Successful execution of CIC's corporate strategy and achievement of the business plan requires an understanding of the associated risks within the environment in which CIC operates. To understand risks associated with the corporation, CIC's Risk Committee works with senior management to identify business risks inherent to the corporation and establish what, if any, mitigating processes and controls exist to reduce the inherent risk.

After identification of risks and establishment of the controls and mitigating factors, risk registers are updated. The registers rank risks based on the likelihood of occurrence and severity of the occurrence once mitigating controls or processes are considered. Once established, the executive determines the risk tolerance and decides whether to accept, further mitigate, transfer, or avoid the risk. This can lead to identification of opportunities and strategies to either close gaps or to reallocate resources from areas that are considered over-mitigated. CIC reports annually to its Board on its risk.

## Risk Overview

CIC ranks the ten most significant risks on its risk register and has determined the following three risks are the most significant:

### 1. Operational delays or loss of information as a result of cyber security breaches.

Businesses throughout the world have to address the rising risk of cyber security breaches that can cause operational delays or loss of information. To mitigate this risk, CIC has cybersecurity practices in place through partnerships with industry-leading third-party experts. This includes continuous improvement through strategic initiatives and the use of tabletop exercises, maturity assessments, and vulnerability assessments. In addition, CIC has a disaster recovery plan with offsite continuous back-up at a third-party IT service provider. Daily, weekly, monthly and annual back-ups are completed. CIC's third-party IT service provider regularly updates software, hardware and CIC's network.

### 2. Inability of the Crown sector and CIC to achieve outcomes expected of the Shareholder and the public.

Providing high quality business service, public policy, and Crown infrastructure improvements to meet the public's expectations is a priority of the Shareholder. It is incorporated into each Crown Strategic Business Plan and the Crown Sector Strategic Priorities. These plans are approved by the CIC Board annually and monitored by CIC throughout the year with quarterly reporting to the CIC Board. CIC closely monitors debt ratios and other financial indicators for the Crown sector to gauge the ability of the sector to undertake significant projects.

### 3. The Crown sector and CIC do not achieve financial stability, sustainability and provide sufficient returns.

CIC provides dividends to the GRF. There is a risk that policy and financial decisions made by CIC and/or its subsidiary corporations could impact CIC's ability to provide dividends to the GRF. This risk is mitigated through the approval of subsidiary Crown Strategic Business Plans, regular quarterly reporting, forecasting, policies guiding investing activities, and oversight of subsidiary corporations by highly qualified, independent boards.

## Promoting Best Practices in Crown Sector Disclosure

### Reporting and Disclosure

All CIC Crown corporations are required by *The Crown Corporations Act, 1993* to table an annual report with the Saskatchewan Legislative Assembly. To provide full disclosure of Crown sector activities, CIC also requires Crown corporation subsidiary financial statements to be tabled. CIC and its subsidiary Crown corporations ensure that reporting reflects strong standards of accountability, transparency, and disclosure.

## Policy and Programming on Behalf of the Shareholder

CIC's role includes centralized administration of select government initiatives and programs:

- The Indigenous Bursary Program was expanded to most provincial regional colleges and the Gabriel Dumont Institute to allow Indigenous students to better access financial assistance closer to their home communities to support their education goals and enable career opportunities by building a skilled and inclusive labour force.
- The Indigenous Cultural Awareness Program provides education for Crown employees covering Indigenous history, cultural awareness, reconciliation and relationship-building information and techniques.
- The Crown Career Pathways, an Indigenous internship program developed by CIC and its subsidiary Crowns in 2023-24, provides a mechanism to bridge Indigenous graduates from eligible post-secondary institutes into employment with the Crown sector, provincial government and the private sector in Saskatchewan.

### Saskatchewan Rate Review Panel

The Saskatchewan Rate Review Panel (SRRP) advises the Government of Saskatchewan on rate applications proposed by SaskEnergy, SaskPower and the Saskatchewan Auto Fund. SRRP reviews each rate application and provides an independent public report on its assessment of the fairness and reasonableness of the proposed rate change, with consideration for the interests of the Crown corporation, its customers and the public, consistency with the Crown corporation's mandate, relevant industry practices and principles, and competitiveness relative to other jurisdictions. The provincial Cabinet makes the final decision on rate change requests. CIC acts as a liaison between SRRP and the government as required. In this role, CIC may provide SRRP with assistance, guidance and oversight to fulfill its mandate. SRRP members during 2025-26 were:

- Albert Johnston, Chair
- Duane Hayunga, Vice Chair
- Glenn Dutchak, Member
- Bonnie Guillou, Member
- Kim Hartl, Member
- Sidney Katzman, Member
- Keith Moen, Member

For more information, visit the Panel's website at [www.saskratereview.ca](http://www.saskratereview.ca).

## Achieving a Balanced Approach to Shareholder Return

CIC is focused on providing a reasonable return to the Province. This priority must be balanced with its reinvestment in sustaining infrastructure, providing high quality public services for the most affordable cost and public policy initiatives.

CIC monitors the financial performance of the CIC Crown sector to ensure that financial targets are achieved and that the financial sustainability of the CIC Crown sector is maintained for the future. This includes:

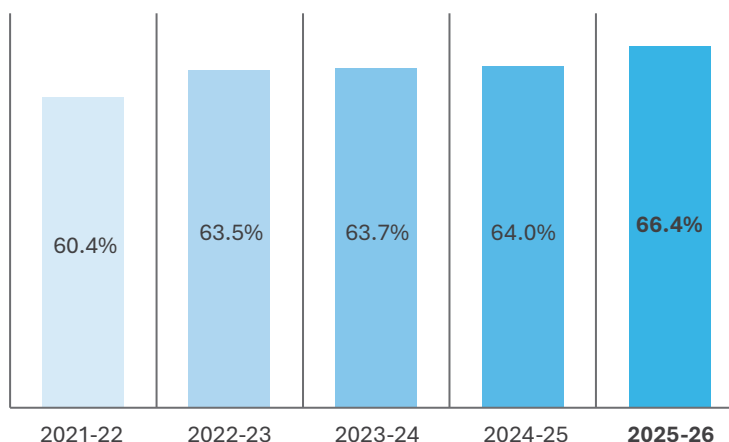
- providing analysis and recommendations on Crown sector earnings;
- ensuring CIC Crown corporations have sufficient capital available to maintain and/or expand existing infrastructure;
- examining capital structures of CIC Crown corporations (generally consisting of debt and equity) to maintain financial health; and,
- forecasting available cash flows over the planning horizon to analyze and advise on future dividend payments and equity repayments to the General Revenue Fund (GRF).

All decisions that impact financial resources, such as dividends from the CIC Crown sector, dividends and equity repayments to the GRF, or funding of a public policy initiative, are assessed within the context of financial self-sufficiency, while contributing to the government's priorities for the CIC Crown sector.

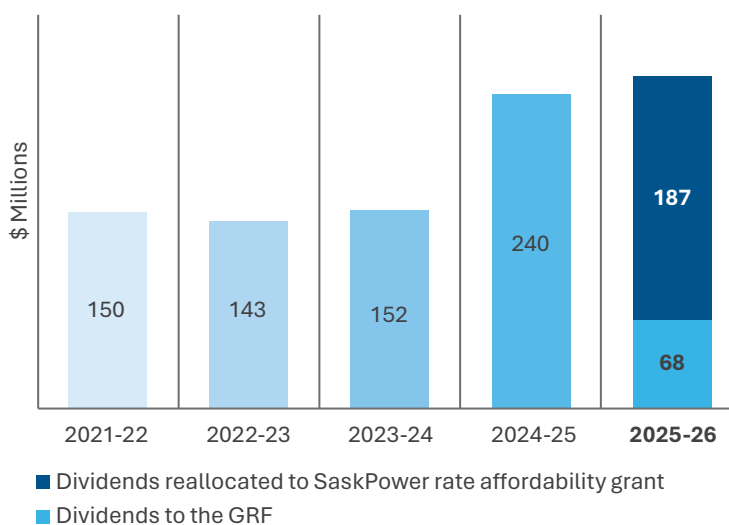
CIC continues to prioritize maintaining sustainable debt levels while reinvesting in infrastructure, as well as providing a return to the Shareholder. During 2025-26, CIC's allocation of financial resources included the following:

- authorizing capital spending plans of subsidiary Crown corporations that resulted in capital expenditures of \$2.6 billion to meet reinvestment requirements,
- declaration and payment of dividends to the GRF of \$68.0 million; and
- support of public policy initiatives, including \$187.0 million paid to SaskPower to support rate affordability for customers.

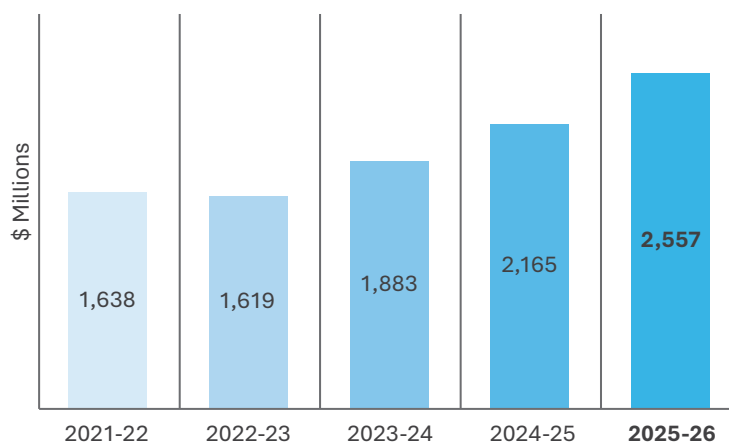
### Consolidated Debt Ratio



### Dividends to the GRF



### Capital Expenditures



## Managing Capital Resources

CIC has a diverse range of holdings. A key priority for CIC is to manage the capital resources employed within the consolidated group of entities to optimize value in the Crown sector and provide a return to the GRF.

CIC manages this priority through its capital allocation framework, which is based on two integrated policies: the CIC Subsidiary Dividend Policy and the CIC Dividend Policy. These policies are based on the principle that there are three potential uses for cash flows:

- **Reinvestment** – to sustain infrastructure and operations, to grow and diversify revenues, and to support public policy initiatives and economic development;
- **Debt reduction if required** – to support financial flexibility; and
- **Dividends to the holding company** – to be used in accordance with the CIC Subsidiary Dividend Policy.

An additional potential use for cash flow is equity repayments. Equity repayments are a return of the government's investment in the Crowns. Unlike dividends, they occur infrequently, generally following asset sales or during times of stable or lower capital needs. These payments are used to support public policy needs. Crowns do not have share capital structures, and when Crowns were established, cash injections (called equity advances) were provided through CIC. Equity advances were also provided to the Crowns to support capital investment.

### CIC Subsidiary Dividend Policy

The CIC Subsidiary Dividend Policy focuses on managing capital resources to support the investment needs and business viability of the various business segments over the medium term. The policy ensures that the investments provide a return to Saskatchewan residents to support programs paid for from the GRF. Each commercial Crown's ability to pay dividends is determined after the CIC Board allocates a portion of cash profits to reinvestment and debt reduction, if required. The CIC Board has approved debt and capital structure targets for CIC's subsidiaries based on industry benchmarks. Therefore, for subsidiaries that pay dividends, the amount paid is determined in relation to the target capital structure compared to the actual capital structure.

### Capital Structures of Subsidiary Corporations

The following table summarizes the target capital structure of CIC's subsidiary corporations. Capital structure targets are based on industry benchmarks where possible and are approved by the CIC Board.

	Capital Structure Measure	Capital Structure Target	2025-26 Actual Capital Structure	2025-26 Dividend Payout Rate <sup>1</sup>
SaskPower	Debt Ratio	60.0% - 75.0%	78.9%	10.0%
SaskTel	Debt Ratio	≤55.0%	56.9%	40.0%
SaskEnergy	Debt Ratio	58.0% - 63.0%	60.0%	35.0%
SGL CANADA <sup>2</sup>	Minimum Capital Test	242.0%	240.0%	N/A
LGS	Debt Ratio <sup>3</sup>	TBD	TBD	90.0%
SaskWater	Debt Ratio	60.0%	49.9%	60.0%

<sup>1</sup> Dividend payout rates are approved by the CIC Board annually. While payout rates are typically based on a percentage of earnings from operations, various factors may lead to an amount being set on an alternative basis. Where a percentage payout has not been established ("N/A"), the CIC Board has approved a specific dollar amount or a dividend has not been directed due to reinvestment or capital retention requirements.

<sup>2</sup> The Minimum Capital Test (MCT) is a widely used solvency ratio in the insurance industry, used by regulators, to assess a company's financial strength. It measures capital available to pay claims in relation to the degree of risk undertaken by a particular company.

<sup>3</sup> LGS is primarily a cash business without a significant capital program resulting in very low debt levels. As a result, the LGS capital structure is substantially made up of equity and a specific debt ratio target or ceiling has not yet been set.

## CIC Dividend Policy

Cash paid by subsidiary Crown corporations is used by CIC for reinvestment and dividends to the GRF. CIC, as the holding company, does not have any debt. Also, CIC uses cash from Crown dividends to support operations and public policy initiatives.

In 2025-26, CIC allocated \$259.8 million of capital per the CIC Dividend Policy as follows:

### Reinvestment and Public Policy Expenditures:

- \$612,000 to the Indigenous Bursary Program.
- \$277,000 to the Crown Career Pathways Indigenous internship program.
- \$190.9 million in grants, including \$187.0 million paid to SaskPower to support rate affordability for customers.

### Debt Reduction:

- No funds were used for debt repayment. CIC (separate) does not carry debt.

### Dividend:

- GRF dividend of \$68.0 million.

CIC's ability to pay dividends to the GRF depends mainly on the level of Crown dividends paid to CIC, less CIC's reinvestment back into the Crown sector, payments for public policy programs and operating costs (see page 105 in the CIC Separate MD&A section of this report for more details on CIC's operating costs). Crown dividend levels depend on earnings and capital structure. In addition to cash constraints, CIC's ability to declare dividends to the GRF depends on its retained earnings (a company's retained earnings are the aggregate amount of undistributed earnings since its inception). CIC's earnings, and hence dividend capacity outlook, are sensitive to adverse developments in its operating expenditures and Crown earnings forecasts.

## Liquidity

CIC and its subsidiary Crown corporations borrow from the GRF, which in turn, borrows in the capital markets. With strong credit ratings, the GRF has ample access to capital for anticipated borrowing requirements.

### Province of Saskatchewan Credit Ratings (as of March 31, 2026)

Moody's Investor Service (Moody's)	Aa1
Standard & Poor's (S&P)	AA
Dominion Bond Rating Service (DBRS)	AA (low)

There are three credit rating agencies in Canada that evaluate and rate the credit worthiness of the Province's sovereign debt. Credit worthiness affects the interest rate at which the Province, including the CIC Crown sector, can borrow. As the credit ratings improve, the interest rates at which the Province can borrow decrease, thereby reducing the cost of borrowing.

## Enhancing Accountability

CIC continues to advance its financial reporting policies and practices in support of transparency and accountability. Examples of current practices to facilitate accountability include:

- quarterly reports for CIC (consolidated and separate) and its subsidiary Crown corporations, available to the public via CIC and Crown corporation websites;
- quarterly reporting on CIC and subsidiary Crown corporation performance, provided to the CIC Board;
- disclosure of budget information in the government's budget and estimates;
- detailed disclosure of CIC and its subsidiary Crowns' payments via Payee Disclosure Reports on CIC's website;
- a comparison of results to business plan targets, within CIC's and each subsidiary Crown corporation's annual report;
- providing internal audit and legal services to certain subsidiary Crown corporations;
- requiring CEO/CFO certification of internal controls over financial reporting at CIC and subsidiary Crowns;
- ensuring appropriate and consistent risk management frameworks for all CIC subsidiary Crown corporations; and
- CIC's continuous evaluation of new standards and leading practices for financial reporting and corporate governance.

CIC's financial reports are available on CIC's website at [www.cicorp.sk.ca/reports/annual-and-quarterly-financial-reports](http://www.cicorp.sk.ca/reports/annual-and-quarterly-financial-reports).

## Corporate Social Responsibility

CIC is committed to giving back to the community and the people of Saskatchewan. CIC's Corporate Sponsorship Policy supports organizations, events, programs, activities and projects across Saskatchewan that:

- focus on entrepreneurial and employment development, skills development and innovation,
- support education, emerging health or social needs, or cultural education and Indigenous economic reconciliation, and/or
- support programs aimed at enhancing opportunities for young people, increase participation of underrepresented groups in science, technology, engineering, arts or mathematics (STEAM) and leadership, and supporting Indigenous people and other under-represented populations, women in non-traditional roles or vulnerable people.

In 2025-26, CIC provided \$589,000 in sponsorships to support organizations across the province.

CIC will continue to support opportunities that enhance quality of life for Saskatchewan people. In addition to direct sponsorships, CIC also funds the Indigenous Bursary Program to support building a skilled and inclusive labour force with close ties to the province. As well, CIC is refreshing an Indigenous internship program to achieve stronger outcomes. Crown Career Pathways offers one-year positions at Crown corporations to Indigenous post-secondary graduates to help bridge eligible graduates to permanent employment in the Crown sector, provincial government or the private sector in the province.

CIC, SaskTel, SaskPower, SaskEnergy and SGI continued their support of STARS Saskatchewan with another \$2 million in 2025-26 as part of a third five-year commitment. The Crown sector has significantly contributed to ensuring critical care is available to rural and remote areas by committing \$30 million to STARS since 2012.

# Corporate Performance

## 2025-26 Balanced Scorecard and Performance Discussion

The balanced scorecard is a widely accepted performance measurement system. CIC uses this system to establish, communicate, and report on key corporate performance targets in a standardized and concise format. The CIC Board is provided quarterly progress reports on the corporation's performance relative to the established targets. CIC's 2025-26 balanced scorecard contains four perspectives: outcomes, trust, sustainability, and culture. Through the performance management system, CIC monitors its success in achieving its strategic objectives and driving outcomes in the Crown sector. Performance results for 2025-26 are for the 12-month period ended March 31, 2026.

### BALANCED SCORECARD PERSPECTIVES

#### Strategic Pillar: Outcomes

- Through the Crown sector, we are committed to delivering outcomes for Saskatchewan residents and stakeholders.
- We will deliver on the government's commitment of high quality Crown services and broader goals for the province.

#### Strategic Pillar: Trust

- It is imperative that the Crown sector be well governed, trusted, and accountable.
- We will continue to employ best practices in governance, transparency, and reporting and build strong relationships with our stakeholders to achieve mutual trust.

#### Strategic Pillar: Sustainability

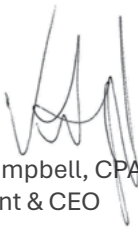
- CIC is committed to the sustainability of the Crown sector.
- We will ensure Crown resources are effectively managed to meet the needs of Saskatchewan now and in the future.

#### Strategic Pillar: Culture

- We create a collaborative environment where we work together and are empowered to do our best.
- We are committed to the development and wellness of everyone at CIC.

## Statement of Reliability

I, Kent Campbell, President and Chief Executive Officer of Crown Investments Corporation of Saskatchewan, certify that I have reviewed the balanced scorecard performance results included in the annual report of Crown Investments Corporation of Saskatchewan. Based on my knowledge, having exercised reasonable diligence, the performance results included in the annual report, fairly represent, in all material respects, CIC's performance results as of March 31, 2026.



Kent Campbell, CPA, CMA  
President & CEO

Performance Measure	2024-25 Results	2025-26 Target	2025-26 Results	2026-27 Target
Crown utility affordability	● Ranked 2nd among provinces	Amongst the lowest two provinces in Canada	● Amongst the lowest two provinces in Canada	Amongst the lowest two provinces in Canada
CIC Board satisfaction with Crown sector outcomes	● N/A	8.5	● N/A <sup>1</sup>	Non-reporting year
Collaboration	● 116%	100% of two weighted components	● 294%	100% of two weighted components
Oversight of public policy programs	● 90%	Achieve 100% of program deliverables	● 95%	Achieve 100% of program deliverables

<sup>1</sup>Stakeholder surveys were not completed in 2025-26, resulting in N/A reporting.

### Performance Indicator Key:

● Exceeds Target >120% | ● On Target 95% – 120% | ● Slightly Off Target < 95% | ● Off Target < 80% | ● Not Reported This Period

## 2025-26 Performance Discussion

Monitoring Crown utility rates relative to other jurisdictions in Canada helps CIC provide strong advice regarding rate decisions. In 2025-26, the target was met to have Saskatchewan’s combined utility rates be among the lowest two provinces in Canada. Reasonable and competitive rates help Saskatchewan be the best place to work, live, and raise a family in all of Canada.

CIC assesses its value through an annual satisfaction survey of its three key stakeholder groups: the CIC Board, subsidiary Crown Boards, and subsidiary Crown executives and senior managers. The CIC Board satisfaction with Crown sector outcomes measure provides for CIC Board assessment of CIC on delivering outcomes for the province through the Crown sector, including high-quality Crown services and broader government goals. Stakeholder surveys were not completed in 2025-26, resulting in N/A reporting. CIC is re-evaluating performance and assessment options through its stakeholder management program.

The Collaboration measure is equally weighted between investment attraction dollars and cost savings achieved by the Crown sector and government working together.

- In 2025-26, Saskatchewan secured close to \$4.5 billion in investment attraction, well above the annual \$1 billion target. Key highlights include NexGen Energy’s Rook 1 Uranium Project and Denison Mines Phoenix Uranium Mine Project.
- Collaboration initiatives achieved \$69.5 million in cost savings in 2025-26, significantly surpassing the \$50 million target. Key contributors include \$16.6 million saved through SaskTel–SaskPower collaboration on using existing transport infrastructure for fibre connectivity for the Northern Broadband Project, \$7.9 million in combined savings from SaskTel and SaskPower through the Pole Sharing Initiative, and \$600,000 through eHealth’s initiative to consolidate endpoint security solutions licenses.

CIC’s leadership and oversight of public policy programs that advance government priorities is assessed through an indexed measure. Results this year were on target. The Indigenous Bursary Program awarded 221 half-bursaries to qualifying Indigenous post-secondary students, just below the target of 230 half-bursaries awarded. The Crown Career Pathways Indigenous Internship Program goal is to recruit and retain Indigenous graduates from post-secondary education into permanent careers in Saskatchewan’s Crown sector, executive government, or private sector. The program met its target to seek Board approval for potential program extension or expansion as the two-year pilot was set to conclude in 2025. The Indigenous Cultural Awareness Program, provided to Crown employees, delivered six awareness sessions, meeting the target of six sessions delivered per year.

## Trust

## Balanced Scorecard

Performance Measure	2024-25 Results	2025-26 Target	2025-26 Results	2026-27 Target
Meet financial and performance reporting requirements	● Released on time	Quarterly and annual reports released on time	● Released on time	Quarterly and annual reports released on time
Governance rating	● 95%	Non-reporting year (of a three-year cycle)	● Non-reporting year (of a three-year cycle)	Non-reporting year (of a three-year cycle)
Performance rating by the CIC Board	● N/A	8.5	● N/A <sup>1</sup>	Non-reporting year
Performance rating by Crown executives and senior management	● N/A	8.1	● N/A <sup>1</sup>	Non-reporting year
Performance rating by Crown Boards	● N/A	8.5	● N/A <sup>1</sup>	Non-reporting year

<sup>1</sup>Stakeholder surveys were not completed in 2025-26, resulting in N/A reporting.

#### Performance Indicator Key:

● Exceeds Target >120% | ● On Target 95% – 120% | ● Slightly Off Target < 95% | ● Off Target < 80% | ● Not Reported This Period

### 2025-26 Performance Discussion

CIC releases various reports throughout the year to uphold accountability and transparency with the public. The release of financial and performance reporting is governed by policy, and in some cases, such as CIC's Annual Report, by legislation. In 2025-26, CIC provided quarterly reports on losses to the Standing Committee on Crown and Central Agencies (CCAC), tabled the CIC Annual Report on June 23, 2025, and submitted the 2024-25 Payee Disclosure Report to the CCAC and released it to the public on October 30, 2025. All quarterly financial reports were posted to CIC's website within 75 days of quarter-end.

CIC assesses and benchmarks Crown corporate governance to industry standards and best practices using a third party, Governance Solutions Inc., for the governance rating measure. 2025-26 was a non-reporting year, and the next governance review will take place in 2027-28.

The performance measures by the CIC Board, Crown executive and senior management, and Crown Boards provide for assessment of CIC in the key performance areas of strategic consulting and advice, board governance, communication and networking, and effectiveness. CIC is re-evaluating performance and assessment options through its stakeholder management program. As such, the 2025-26 stakeholder surveys were not completed, resulting in N/A reporting for these measures.

Performance Measure	2024-25 Results	2025-26 Target	2025-26 Results	2026-27 Target
Consolidated return on equity (ROE) target	● 7.6%	4.4%	● 2.5%	5.9%
Consolidated debt ratio	● 64.0%	66.5%	● 66.4%	67.5%
CIC expenditures	● 5.1% > than budget	Within budget	● 586% over budget	Within budget
CIC dividend and equity repayments to the General Revenue Fund (\$ millions)	● \$240.0 million	\$68.0 million <sup>1</sup>	● \$68.0 million	\$125.0 million

<sup>1</sup> During the year, the CIC Board approved a reduction in the 2025-26 dividend target from \$255.0 million to \$68.0 million to ensure funding was available for the \$187.0 million SaskPower rate affordability grant.

### Performance Indicator Key:

● Exceeds Target >120% | ● On Target 95% – 120% | ● Slightly Off Target < 95% | ● Off Target < 80% | ● Not Reported This Period

## 2025-26 Performance Discussion

CIC measures and monitors the Crown sector's financial health to ensure sufficient capacity to provide infrastructure and the high-quality services that Saskatchewan people expect. A detailed discussion of consolidated financial performance is provided in the Management Discussion and Analysis section beginning on page 29, with a summary overview provided below.

Consolidated earnings totaled \$173.3 million for 2025-26, resulting in an ROE of 2.5 per cent, 1.9 percentage points below target. The shortfall was primarily driven by lower-than-budgeted earnings at SaskPower, reflecting the removal of the federal carbon charge rate rider from customer bills and a delayed rate increase. Higher ending equity, due to lower-than-expected dividends paid to the General Revenue Fund, also contributed to the variance.

The Consolidated debt ratio finished the year at 66.4 per cent, which is within target. Crown debt ratios are monitored to ensure sustainability.

In 2025-26, CIC expenditures were 586 per cent over budget, primarily due to unbudgeted grants. These included a \$187.0 million rate affordability grant to SaskPower and a \$560.0 thousand grant to the International Brotherhood of Electrical Workers to support union-led construction electrician apprenticeship training and strengthen the skilled trades workforce needed for Saskatchewan's long-term energy security.

CIC's dividend payment to the GRF of \$68.0 million was on target. During the year, the CIC Board approved a reduction in the 2025-26 dividend target from \$255.0 million to \$68.0 million to ensure funding was available for the \$187.0 million SaskPower rate affordability grant.

# Culture

## Balanced Scorecard

Performance Measure	2024-25 Results	2025-26 Target	2025-26 Results	2026-27 Target
Employee engagement	● 85.42% of the N.A. norm	Non-reporting year (of a two-year cycle)	● Non-reporting year (of a two-year cycle)	Planned non-reporting year <sup>1</sup>
Employee enablement	● 91.15% of the N.A. norm	Non-reporting year (of a two-year cycle)	● Non-reporting year (of a two-year cycle)	Planned non-reporting year <sup>1</sup>

<sup>1</sup> CIC has deferred the employee engagement survey to 2027-28.

### Performance Indicator Key:

● Exceeds Target >120% | ● On Target 95% – 120% | ● Slightly Off Target < 95% | ● Off Target < 80% | ● Not Reported This Period

### 2025-26 Performance Discussion

CIC's performance measures for culture reflect an engaged and enabled workforce, with scores drawn from the employee engagement survey conducted every two years. 2025-26 is a non-reporting year.

## Rationale for Selection of Performance Measures

Performance Measures	Rationale for Selection of Performance Measures
Crown utility affordability	Ensure the Saskatchewan utility bundle remains reasonable, competitive, and amongst the lowest in Canada.
CIC Board satisfaction with Crown sector outcomes	Provides for direct assessment by the CIC Board on the performance of CIC in achieving mutual goals and executing shared processes. The surveys are administered by an independent agency to ensure confidential disclosure and unbiased interpretation of results.
Collaboration	Indicates the benefits achieved within the Crown sector and by participating Treasury Board Crowns, agencies, and ministries by working together.
Oversight of public policy programs	Focuses on CIC's role in the leadership and oversight of public policy programs, aligning with Shareholder priorities.
Meet financial and performance reporting requirements	Ensures accountability and transparency of financial and performance results. Release of financial and performance reporting is governed by policy, and in some cases, such as CIC's Annual Report, by legislation.
Governance rating	Benchmarking Crown sector governance to industry standards or best practices by an independent 3rd party.
Performance rating by the CIC Board; Performance rating by Crown executives and senior management; Performance rating by Crown Boards	Provides for direct assessment by key stakeholders on the performance of CIC in achieving mutual goals and executing shared processes. The surveys are administered by an independent agency to ensure confidential disclosure and unbiased interpretation of results.
Consolidated return on equity (ROE) target	Indicates the level of profitability across the Crown sector by measuring Crown sector returns as a percentage of the average equity in the Crown sector. Although the measure cannot be benchmarked to industry on a consolidated basis, results can be compared year over year.
Consolidated debt ratio	Indicates the level of financial flexibility in the Crown sector by measuring Crown sector debt as a percentage of capital (debt plus equity) in the Crown sector. Higher ratios indicate increased debt burden which may impair the Crown sector's ability to withstand downturns in revenues and still meet fixed payment obligations. Although the measure cannot be benchmarked to industry on a consolidated basis, results can be compared year over year.
CIC expenditures	CIC is given the authority to make expenditures within the operating and capital budget as approved annually by the CIC Board.
CIC dividend and equity repayments to the General Revenue Fund (\$ millions)	Provide an appropriate return to the Shareholder in an amount directed by the Shareholder.
Employee engagement; Employee enablement	CIC employee engagement and enablement is benchmarked against other corporate entities and is monitored through surveys conducted by an independent 3rd party.

# Organizational Overview

## Governance

### Board of Directors

The CIC Board of Directors consists of elected government officials appointed by the Lieutenant Governor in Council pursuant to *The Crown Corporations Act, 1993*. The Board makes decisions, provides advice and recommendations to the provincial Cabinet, and functions as a key committee to Cabinet.

The CIC Board oversees the strategic direction and risk management of the CIC Crown sector. In 2025-26, the Crown Sector Strategic Priorities guided Crown sector planning with a focus on affordability, reliability, economic growth, and strong financial management.

### Board Responsibilities

The CIC Board is committed to the government's vision and to ensuring alignment of the CIC Crown sector through the following activities:

- setting strategic priorities for the Crown sector;
- overseeing and ensuring that risks are properly managed and appropriate authorities and controls are in place;
- providing strategic oversight to subsidiary Crown corporations by reviewing annual business plans, setting performance expectations, allocating capital within the sector, as well as monitoring and evaluating performance; and,
- providing oversight in setting corporate strategic direction, identifying risks and opportunities, approving CIC's business plans and budgets, and monitoring and evaluating corporate performance.

### Board Committees

The CIC Board does not have separate nominating, compensation or audit and finance committees.

- CIC Board members are appointed by the Lieutenant Governor in Council.
- The CIC Board acts as a compensation committee by approving an executive compensation framework (page 27) that applies to the executives of CIC and all subsidiary Crown corporations.
- The CIC Board reviews and approves CIC's financial statements and meets with external auditors and the Provincial Auditor without management present.

### Board Appointments and Renewal

The appointment and removal of members of the CIC Board, and the designation of the Chair and Vice Chair, are the prerogative of the Lieutenant Governor in Council. The Minister of Crown Investments Corporation must be a member of the CIC Board and is appointed as the CIC Board Chair. Pursuant to *The Crown Corporations Act, 1993*, members hold office for a term not greater than three years or until a successor is appointed. Member appointments can be renewed at expiry. There were seven members on the CIC Board as of March 31, 2026. The Board members are non-independent directors.



Honourable  
Jeremy Harrison



Honourable  
Ken Cheveldayoff



Honourable  
Warren Kaeding



Honourable  
Eric Schmalz



Honourable  
Daryl Harrison



Honourable  
Travis Keisig



Blaine McLeod

# CIC Board Members

## Honourable Jeremy Harrison, Chair

*Chair – November 7, 2024 to March 31, 2026<sup>1</sup>*

**Minister of Crown Investments Corporation**

**Minister Responsible for the Public Service Commission**

**Minister Responsible for Lotteries and Gaming Saskatchewan,  
SGI, SaskEnergy, SaskPower, SaskTel, SaskWater**

## Honourable Ken Cheveldayoff, Vice-Chair

*Vice-Chair – December 12, 2025 to March 31, 2026<sup>1</sup>*

**Minister of Advanced Education**

## Honourable Warren Kaeding

*Member – November 7, 2024 to March 31, 2026<sup>1</sup>*

**Minister of Trade and Export Development**

## Honourable Eric Schmalz

*Member – November 7, 2024 to March 31, 2026<sup>1</sup>*

**Minister of Government Relations**

**Minister Responsible for First Nations, Métis and Northern Affairs**

## Honourable Daryl Harrison

*Member – December 12, 2025 to March 31, 2026<sup>1</sup>*

*Vice-Chair – November 7, 2024 to December 11, 2025*

**MLA – Cannington**

## Honourable Travis Keisig

*Member – December 12, 2025 to March 31, 2026*

**MLA – Last Mountain-Touchwood**

## Blaine McLeod

*Member – November 7, 2024 to March 31, 2026<sup>1</sup>*

**MLA – Lumsden-Morse**

<sup>1</sup> To the end of the reporting period.

*MLA Sean Wilson served as a Board Member  
from November 7, 2024, to December 12, 2025.*

# Organizational Structure

## Operating Divisions

CIC's team included 71 permanent positions and three term positions as of March 31, 2026, within five divisions. Each division's responsibilities are summarized below:

President's Office	
<ul style="list-style-type: none"> <li>• President</li> <li>• Communications</li> <li>• Strategy, Planning and Corporate Responsibility</li> </ul>	<p>The President's Office oversees the operations of CIC and provides strategic guidance and direction for the Crown sector, ensuring Crown business plans align with government priorities and public policy direction. The division:</p> <ul style="list-style-type: none"> <li>• provides support and leadership in Crown communications;</li> <li>• facilitates internal communications at CIC, and corporate communications across the sector;</li> <li>• provides management oversight and strategic leadership and advice on government and Crown-related issues and projects;</li> <li>• provides leadership and achievement of public policy goals in Community Investment and Indigenous Relations;</li> <li>• ensures strong oversight to ensure enterprise risks are identified, assessed and managed in the public interest across the sector;</li> <li>• provides strategic planning and performance management for CIC; and,</li> <li>• manages day-to-day operations, priorities and issues at CIC and within the sector.</li> </ul>
Energy Security	
<ul style="list-style-type: none"> <li>• Nuclear</li> <li>• Crown Energy Policy</li> </ul>	<p>The Energy Security Division models, plans, and coordinates provincial policy on electricity, natural gas, and nuclear energy. The division facilitates mid-to-long term energy planning for the Crown sector, manages federal-provincial-territorial Crown-related energy matters, engages with industrial and business interests, and advances associated economic investment opportunities in the province. The division:</p> <ul style="list-style-type: none"> <li>• leads energy projects that are multi-agency and transformative;</li> <li>• conducts energy sector economic and policy analysis; and,</li> <li>• coordinates policy and planning for electricity, natural gas, and nuclear energy.</li> </ul>
Crown Sector Priorities	
<ul style="list-style-type: none"> <li>• Strategic Initiatives</li> </ul>	<p>The Crown Sector Priorities Division is responsible for leading multi-Crown projects and priority government initiatives related to Saskatchewan's Crown sector. The division provides leadership on:</p> <ul style="list-style-type: none"> <li>• coordinating efforts to attract private sector capital investment projects to Saskatchewan;</li> <li>• economic development;</li> <li>• provincial broadband policy;</li> <li>• collaboration across provincial government entities;</li> <li>• management of the Saskatchewan Rate Review Panel;</li> <li>• Crown sector procurement and supply chain development; and,</li> <li>• trade policy for the Crown sector.</li> </ul>

## Crown Services

- Crown Governance
- Human Resources
- Legal

The Crown Services Division plays a central role in supporting operational integrity and effectiveness. The division is responsible for delivering expert legal, human resources, and governance leadership, ensuring consistent, high-quality practices across CIC and its subsidiaries. The division:

- provides legal services and advice to CIC, the Crown sector and the CIC Board;
- delivers corporate human resource strategy and services;
- develops and oversees human resource policies and frameworks for the Crown sector;
- provides corporate secretariat and governance advisory services to the CIC and Crown sector Boards of Directors; and
- develops and upholds corporate governance frameworks and policies.

## Finance & Administration

- Accounting
- Internal Audit
- Performance Management & Financial Analysis

The Finance & Administration Division provides advice, analysis and recommendations to CIC and the CIC Board of Directors on a wide range of Crown sector business issues. The division provides support through:

- strategic Shareholder direction to the Crown sector;
- oversight of Crown corporation performance management and capital allocation plans;
- Crown sector-wide financial reporting and forecasting;
- management of CIC's budget and financial transactions;
- internal audit services for CIC, SaskWater and Lotteries and Gaming Saskatchewan;
- corporate administrative services, information technology management and cyber security management; and
- undertaking strategic initiatives related to the Crown sector.

# CIC Senior Executives



**Denise Macza**  
Senior Vice President and Chief Financial Officer



**Kent Campbell**  
President and CEO



**Tyler Lynch**  
Vice President, Energy Security



**Tim Highmoor**  
Vice President, Crown Sector Priorities



**Kyla Hillmer**  
Vice President, Crown Services and Corporate Secretary

# Executive Compensation

The Crown sector executive compensation philosophy is based on a “total compensation” approach, utilizing components of base salary, salary holdback, benefits and pension as a comprehensive package. There remains a recognized need to maintain a meaningful degree of competitiveness with the relevant external market, while balancing the needs and expectations of public sector organizations. CIC has an overall and shared authority for executive compensation governance across the Crown sector, with individual Crown corporation boards having a degree of autonomy within the established governance framework.

As required by *The Crown Employment Contracts Act*, the CEO and direct reports of the CEO report the details of their compensation and benefits to the Clerk of Executive Council. These filings are available for public review.

Consistent with CIC Board and Cabinet-approved ranges, the 2025-26 CIC senior executive base salary ranges were:

<b>Position</b>	<b>Base Salary Range</b>
CEO	\$334,243 – \$417,804
Executive 1	\$260,726 – \$325,907
Executive 2	\$221,618 – \$277,023

## 2025-26 CIC Executive Compensation

Base Salary (69%)	Vacation & Flex Days (13%)
Pension & Retiring Allowance (10%)	Vehicle Allowance (3%)
General Benefits (2%)	Flexible Credit Account (3%)

The Standing Committee on Crown and Central Agencies requires all Crown corporations to file an annual payee list, which includes remuneration information for the executive members. Payee Disclosure Reports are available on CIC’s website at [www.cicorp.sk.ca](http://www.cicorp.sk.ca). The CIC Board reviews the details of these expenditure reports annually.

# Employee Conduct and Development

## Corporate Policies

CIC strives to maintain the highest legal and ethical standards in all its business practices. Each employee is expected to act responsibly, with integrity and honesty, and to comply with CIC's code of conduct and its underlying policies and objectives. CIC operates under a complete, regularly updated and approved set of corporate policies and procedures. CIC requires all employees, including new employees at time of hire, to annually confirm in writing that they have read, understand and agree to comply with the policies relating to employee conduct:

- Employee Conduct Policy;
- Wrongdoing Disclosure Policy;
- Personal Information Privacy Policy;
- Acceptable Use of Computing Resources Policy;
- Anti-Harassment Policy; and,
- Workplace Violence Policy.

Strong information security procedures are in place and continue to evolve keeping pace with the an ever changing threat landscape. These security processes ensure CIC can continue critical operations in the event of an incident or disruption. CIC is committed to ensuring its information technology (IT) and cyber security structure meets industry standards. CIC has adopted an industry leading framework developed by the U.S National Institute of Standards and Technology (NIST). CIC continues to work with IT and cyber security experts on cyber incident preparedness, as well as monitoring, evaluating and testing IT systems. In addition, through CIC's Cyber Security Committee, CIC's IT risks are reviewed and recommendations are made to enact best mitigation practices and to bolster education and awareness.

With advancements in artificial intelligence (AI), CIC is building principles, requirements, and governance, for its responsible use. As AI is integrated into CIC's IT infrastructure, CIC is committed to ensuring public accountability, trust, and transparency while complying with legislative, regulatory, and government strategic objectives.

## Professional Development

CIC provides opportunities for professional development at all levels. CIC's corporate programs, policies and practices form a solid foundation for ensuring the corporation is well positioned to retain the knowledge and competencies required to carry out its mandated responsibilities. They include:

- leadership development for executive and management team members;
- budgeted resources for employee development;
- the requirement for a training and development objective in the annual work plan of all team members as well as documentation of career goals and objectives;
- organizational succession planning, to manage the risks associated with the departure of employees in positions critical to CIC from a strategic and operational perspective; and,
- a Phased Retirement Policy to facilitate knowledge transfer from senior employees planning to retire to those employees who will take on their responsibilities.

## CIC Consolidated Management Discussion and Analysis

### Preface

The purpose of the following discussion is to provide the users of CIC's financial statements with an overview of the Corporation's financial performance and the various measures CIC uses to evaluate its financial health. The following analysis of CIC's consolidated 2025-26 financial results should be read in conjunction with the audited consolidated financial statements. For purposes of CIC's consolidated management discussion and analysis (MD&A), "CIC" and "Corporation" refer to the consolidated entity. The Corporation's consolidated financial statements are prepared in accordance with IFRS Accounting Standards and, as such, consolidate the results of all CIC subsidiary corporations.

Producing two different views of CIC's operations and results, with consolidated and separate financial statements, is the cornerstone of our commitment to accountability and transparency. Explanations of the differing purposes of these statements are provided in the following pages.

### Forward-Looking Information

Throughout the annual report, and particularly in the following discussion, forward-looking statements are made. These statements can be recognized by terms such as "outlook," "expect," "anticipate," "project," "continue," or other expressions that relate to estimations or future events. By their nature, forward-looking statements require assumptions based on current information, management experience, and historical performance. Forward-looking information is subject to uncertainties, and, as a result, forward-looking statements are not a guarantee about the future performance of CIC and its subsidiary Crown corporations.

Readers should not place undue reliance on forward-looking statements, as several factors could cause actual results to differ materially from estimates, predictions, and assumptions. Factors that can influence performance include, but are not limited to global pandemics, weather conditions, commodity markets, general economic and geo-political conditions, interest and exchange rates, competition, and regulatory environment. Given these uncertainties, assumptions contained in the forward-looking statements may or may not occur.

## A Closer View of CIC's Holdings

The Corporation is involved in a broad array of industries through various forms of investment. A number of investments are held as wholly-owned subsidiaries, while others are joint ventures and associates held through CIC's wholly-owned subsidiaries.

Investment	Major Business Line
	<b>Utilities:</b>
Saskatchewan Power Corporation (SaskPower)	Electricity
Saskatchewan Telecommunications Holding Corporation and Saskatchewan Telecommunications (collectively SaskTel)	Information and communications technology
SaskEnergy Incorporated (SaskEnergy)	Natural gas storage and delivery
Saskatchewan Water Corporation (SaskWater)	Water and wastewater management
	<b>Insurance:</b>
Saskatchewan Government Insurance (SGI CANADA)	Property and casualty
	<b>Entertainment:</b>
Lotteries and Gaming Saskatchewan (LGS)	Gaming
	<b>Investment and Economic Growth:</b>
CIC Asset Management Inc. (CIC AMI)	Investments

Profiles of material subsidiary corporations are included in this section. Each subsidiary Crown corporation prepares an annual report, which is tabled in the legislative assembly.

The data on the following page illustrates the importance of the utility, insurance, and gaming business segments to the financial results of CIC. Of these corporations, SaskPower, SaskTel, SaskEnergy, SGI CANADA and LGS are the most significant in terms of assets, liabilities, and operating earnings generated.

## Understanding CIC's Financial Statements

CIC prepares two sets of financial statements: consolidated financial statements and separate financial statements.

### CIC Consolidated Financial Statements

These statements illustrate CIC's results consolidated with the results of its subsidiary corporations. The financial statements are prepared in accordance with IFRS and include:

- financial results of subsidiary Crown corporations (SaskPower, SaskTel, SaskEnergy, SGI CANADA, LGS, and SaskWater);
- financial results for CIC's wholly-owned subsidiary (CIC AMI);
- dividends and equity repayments paid by CIC to the General Revenue Fund (GRF); and,
- CIC's operating results and public policy expenditures.

Consolidated earnings represent the total earnings in the Crown sector, taking into consideration the elimination of all inter-entity transactions (i.e., revenues and expenses between Crown corporations and dividends paid by Crown corporations to CIC).

## CIC Separate Financial Statements

These statements represent CIC’s earnings as the shareholder of the Saskatchewan commercial Crown sector. They assist CIC in determining its capacity to pay dividends and equity repayments to the GRF. The separate statements have been prepared in accordance with IFRS. These statements are intended to isolate the holding company’s cash flow, capital support for certain subsidiary corporations, and certain public policy expenditures. These financial statements include:

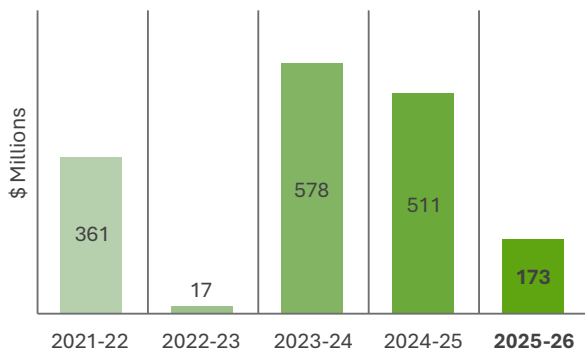
- dividends from subsidiary corporations and investments;
- dividends and equity repayments paid by CIC to the GRF;
- equity advances to and repayments from subsidiaries; and,
- CIC’s operating results and public policy expenditures.

## CIC’s 2025-26 Consolidated Financial Highlights

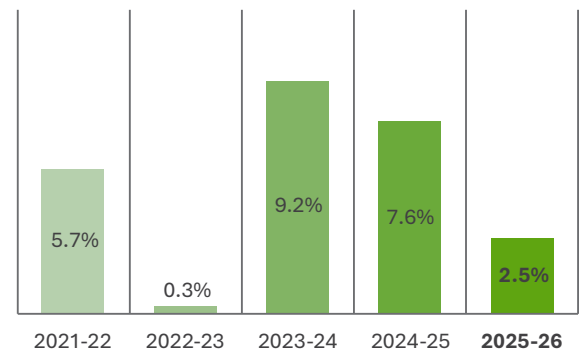
CIC Consolidated	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ 173.3M	\$ 510.7M	\$ 578.3M	\$ 17.2M	\$ 361.0M
Assets	\$ 26.9B	\$ 25.2B	\$ 23.5B	\$ 21.9B	\$ 21.6B
Debt <sup>1</sup>	\$ 15.0B	\$ 13.5B	\$ 12.6B	\$ 11.5B	\$ 10.7B
Dividend to the GRF	\$ 68.0M	\$ 240.0M	\$ 152.0M	\$ 143.0M	\$ 150.0M
Debt ratio	66.4%	64.0%	63.7%	63.5%	60.4%
Return on equity	2.5%	7.6%	9.2%	0.3%	5.7%

<sup>1</sup> Consolidated debt includes long-term debt, long-term debt due within one year, and notes payable.

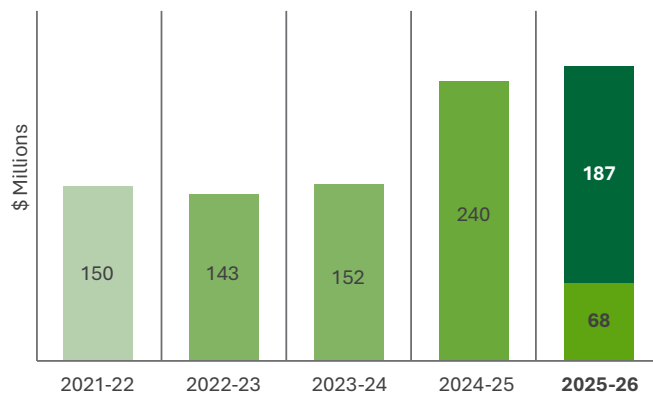
### Consolidated Net Earnings



### Consolidated Return on Equity



### Dividends to the GRF



- Dividends reallocated to SaskPower rate affordability grant
- Dividends to the GRF

**\$753 million in dividends to the GRF since 2021-22.**

## Accounting Policy Developments Impacting Future Consolidated Results

Several new accounting standards and amendments to standards and interpretations are not yet effective for the period ended March 31, 2026, and have not been applied in preparing the consolidated financial statements. Management is currently assessing the impact of the standards on the consolidated financial statements.

## Consolidated Net Earnings

Consolidated Net Earnings (millions of dollars)	2025-26	2024-25	2023-24	2022-23	2021-22
LGS/SaskGaming <sup>1</sup>	\$ 240.0	\$ 223.5	\$ 195.3	\$ 21.3	\$ 9.5
SaskTel	104.7	82.2	95.4	104.1	104.4
SaskEnergy	84.4	90.5	21.1	59.4	158.3
SGI CANADA	75.7	43.2	78.1	34.3	81.8
SaskWater	7.9	8.6	8.7	8.6	8.7
CIC AMI	(0.1)	2.5	7.1	(6.2)	(7.3)
Saskatchewan Opportunities Corp.	-	-	-	-	1.1
SaskPower	(113.4)	75.7	184.6	(172.1)	10.7
CIC (Separate)	105.2	257.6	211.8	103.1	186.5
Consolidation adjustments <sup>2</sup>	(331.1)	(273.1)	(223.8)	(135.3)	(192.7)
<b>Consolidated Net Earnings</b>	<b>\$ 173.3</b>	<b>\$ 510.7</b>	<b>\$ 578.3</b>	<b>\$ 17.2</b>	<b>\$ 361.0</b>

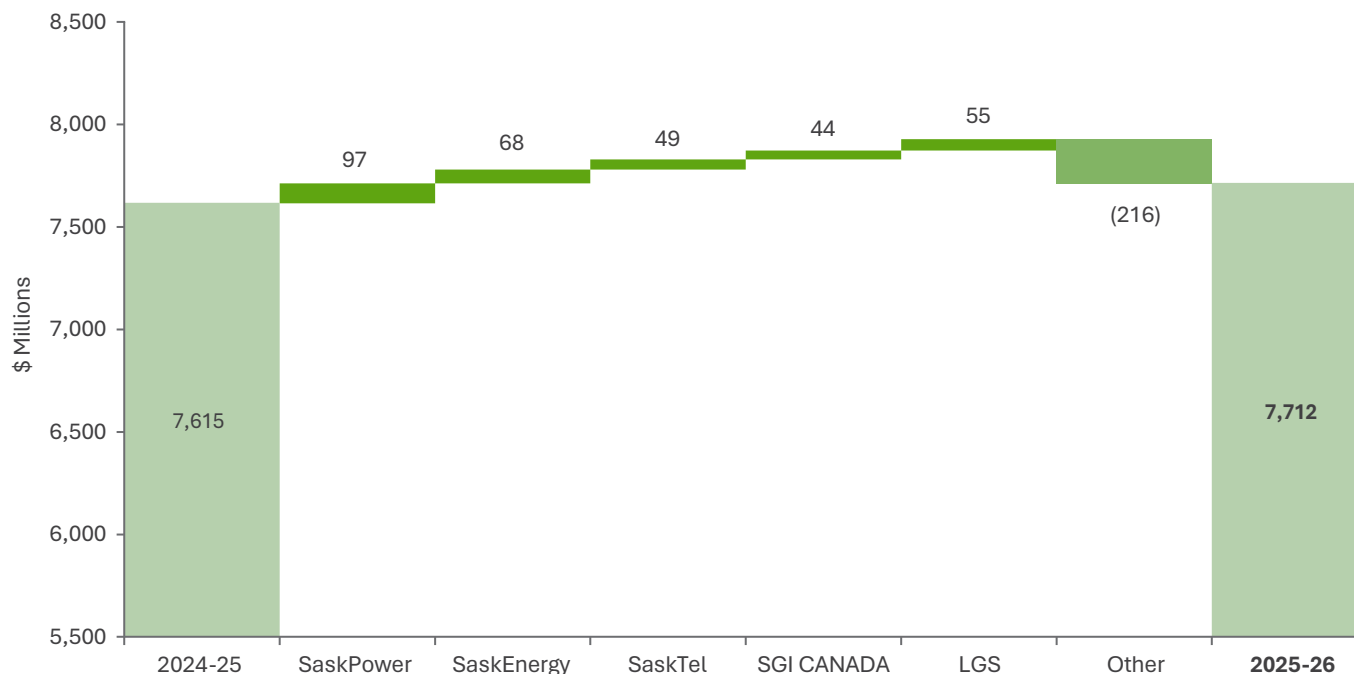
<sup>1</sup> On June 1, 2023, LGS began operations and is responsible for the management oversight of casinos, video lottery terminals (VLTs), lotteries and online gaming in Saskatchewan. SaskGaming was reconfigured as a wholly owned business subsidiary of LGS. Earnings from all Saskatchewan based casinos, the province's VLT program, lotteries, and online gaming flow to LGS. 2021-22 and 2022-23 net earnings were exclusively derived from SaskGaming's casino operations.

<sup>2</sup> Consolidation adjustments reflect the elimination of all inter-entity transactions, such as revenues and expenses between Crown corporations and dividends paid by Crown corporations to CIC.

## Analysis of Consolidated Revenues and Expenses

### Revenue and Other Income

Revenue and other income was \$7,711.6 million in 2025-26 (2024-25 - \$7,614.6 million), an increase of \$97.0 million from the same period in 2024-25. This was primarily a result of increased revenues at SaskPower, SaskEnergy, SaskTel, SGI CANADA, and LGS, partially offset by the elimination of the rate affordability grant paid by CIC to SaskPower (included in “Other”).



SaskPower saw revenue increase by \$96.9 million over the prior period. Saskatchewan electricity sales increased due to higher demand from residential, farm, commercial, and power customer classes and the implementation of a 3.9 per cent system average rate increase effective February 1, 2026. In addition, to help support rate affordability for Saskatchewan customers, CIC provided a \$187.0 million grant to SaskPower. This grant is eliminated as an inter-entity adjustment in the “Other” category above. These increases to revenue were partially offset by the pause in collection of the federal carbon charge rate rider from customers effective April 1, 2025.

SaskEnergy revenue increased by \$68.3 million. This improvement was primarily attributed to increased customer connection capital contributions and effectively using transportation and storage capacity to take advantage of natural gas market pricing differentials. SaskEnergy also experienced increases in transportation revenues due to a rate increase implemented April 1, 2025 intended to support expansion of the transmission system to meet the growing demand for natural gas services in Saskatchewan.

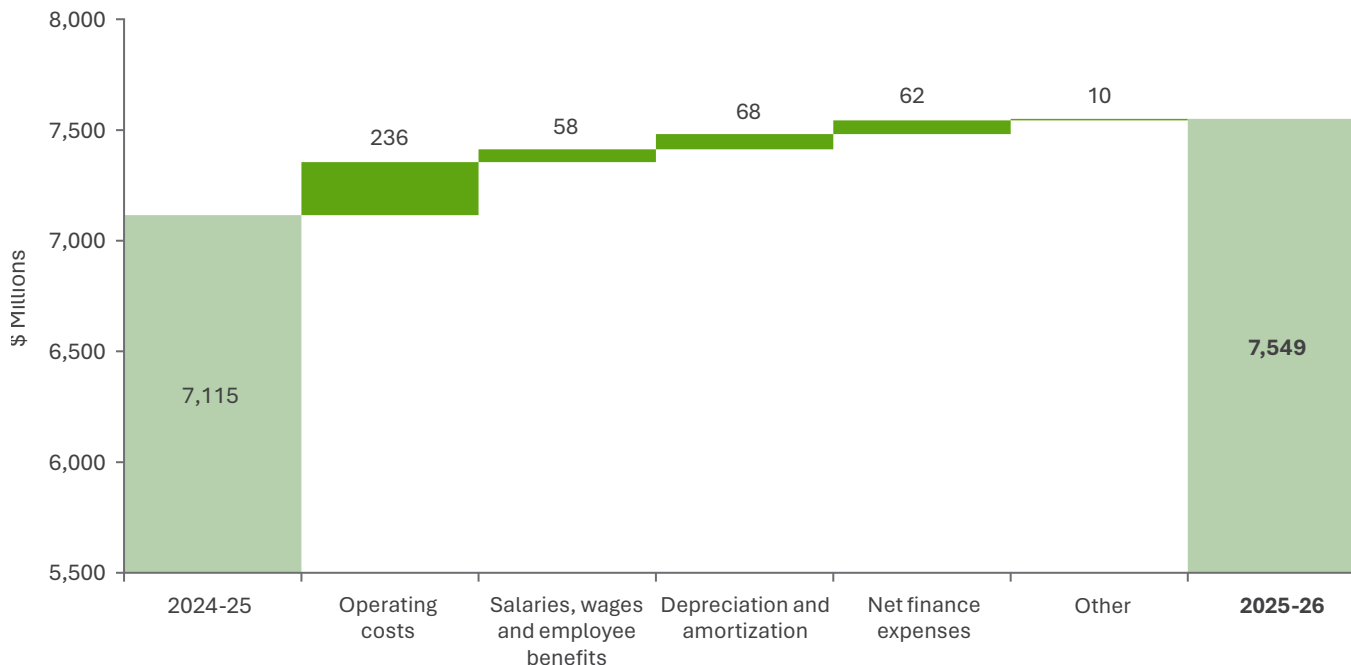
SaskTel revenue increased \$48.9 million due to growth in key business segments including wireless network services and equipment, fixed broadband and data services, and *maxTV* services. Growth in wireless and fixed broadband is being driven by SaskTel’s network expansion and improvements to its *infiNET* and 5G networks throughout Saskatchewan. *maxTV* content package restructuring provided increased value to customers, driving migrations to higher tier packages. SaskTel also sold its out of province security monitoring accounts, resulting in additional revenue.

SGI CANADA revenue increased by \$43.8 million primarily due to premium growth in Saskatchewan and Alberta. The growth in Saskatchewan was driven by increases in the average cost per policy of farm, personal lines, and personal and commercial auto products. Premium growth in Alberta was driven by increases in both the number of policies sold and the average cost per policy sold in personal lines and personal and commercial auto products.

LGS revenue increased by \$55.1 million due to growth across all key segments including land-based casinos, online gaming, and VLT revenue. This was primarily driven by efforts to enhance the gaming experience and favourable economic conditions which have led to higher guest spending.

## Operating and Net Finance Expenses

Total operating and net finance expenses were \$7,549.2 million in 2025-26 (2024-25 - \$7,114.6 million), an increase of \$434.6 million from the same period in 2024-25. This was primarily due to increased operating costs, salaries, wages and employee benefits, depreciation and amortization, and net finance expenses.



### Operating Costs

Operating costs were \$4,204.3 million in 2025-26 (2024-25 - \$3,968.4 million), an increase of \$235.9 million from the same period in 2024-25. This was primarily due to higher costs at SaskPower and SaskEnergy.

SaskPower saw an increase in fuel and purchased power costs due to higher generation volumes from increased customer demand and an increase in the federal carbon charge to \$95/tonne of CO<sub>2</sub>e effective January 1, 2025 and \$110/tonne effective January 1, 2026. Increased maintenance overhaul activities at generation facilities and higher vegetation management costs also contributed to the increase. These costs were partially offset by \$175.0 million in Clean Electricity Transition Grant funding from the Province.

SaskEnergy experienced increased operating and maintenance expenses, as new technology implementation costs, software lease and maintenance costs, and third-party transportation costs were higher year-over-year. Asset optimization activities were also higher and fair value adjustments on natural gas contracts negatively impacted earnings. Fair value adjustments are impacted by changes in the volume of natural gas contracts outstanding and the difference between contract and market prices.

### Salaries, Wages and Employee Benefits

Salaries, wages and employee benefits increased by \$58.3 million to \$1,296.5 million (2024-25 - \$1,238.2 million). A significant part of the increase was due to approved annual economic adjustments and in-range salary increases.

### Depreciation and Amortization

Depreciation and amortization increased by \$67.7 million to \$1,140.0 million in 2025-26 (2024-25 - \$1,072.3 million). This was due to new capital investments to address aging infrastructure, invest in new technology, and meet regulatory requirements and the demand for growth.

## Net Finance Expenses

Net finance expenses increased \$62.3 million to \$504.2 million in 2025-26 (2024-25 - \$441.9 million). The increase was primarily due to higher interest expenses on increasing debt balances and lower investment earnings.

## Other

Other expenses include LGS's payments under the *Lotteries and Gaming Saskatchewan Corporation Act* and Gaming Framework Agreement. In 2025-26, LGS paid \$160.0 million (2024-25 - \$135.0 million) to the GRF in support of the First Nations Addictions Rehabilitation Foundation, First Nations Trust, Community Initiatives Fund, Community Development Corporation and the Métis Development Fund.

## Analysis of Consolidated Capital Resources

### Consolidated Debt

CIC closely monitors the debt levels of its subsidiaries, utilizing the debt ratio as a primary indicator of financial health. The debt ratio measures the amount of debt in a corporation's capital structure. Too high a ratio relative to target, which is benchmarked to industry, indicates a debt burden that may impair a corporation's ability to withstand downturns in revenues while meeting fixed payment obligations. The ratio is calculated as net debt divided by capitalization at the end of the period.

The Corporation reviews the debt ratio targets of all its subsidiary Crown corporations on an annual basis to ensure comparability with industry standards. This review includes subsidiary Crown corporations' plans for capital spending over the medium term. The target debt ratios for subsidiary Crown corporations are benchmarked to industry and reviewed and approved by the CIC Board of Directors. CIC uses targeted debt ratios to compile a weighted average debt ratio for the Crown sector. The target ratio for 2025-26 was 66.5 per cent.

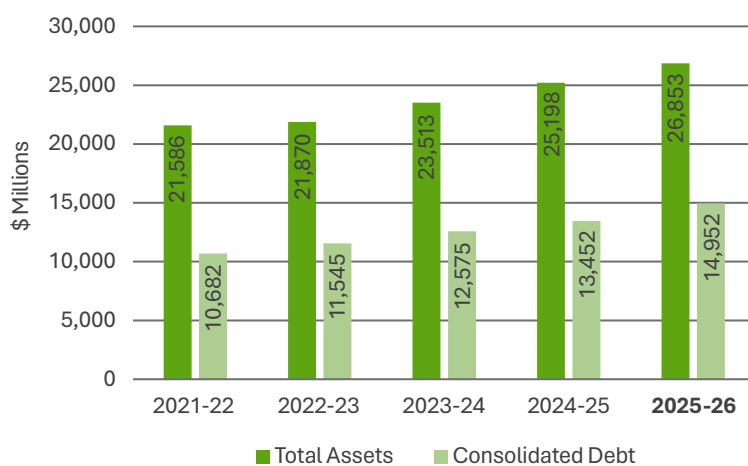
For further information on the Corporation's approach to capital management, refer to Note 22 of the audited consolidated financial statements.

The following table shows the Corporation's consolidated debt level and debt ratio:

	2025-26	2024-25	2023-24	2022-23	2021-22
Consolidated debt	\$ 15.0B	\$ 13.5B	\$ 12.6B	\$ 11.5B	\$ 10.7B
Consolidated debt ratio	66.4%	64.0%	63.7%	63.5%	60.4%
Consolidated debt ratio target	66.5%	64.4%	62.7%	61.8%	61.2%

Consolidated debt was \$15.0 billion at March 31, 2026 (2024-25 - \$13.5 billion), a year-over-year increase of \$1.5 billion. The increase was primarily attributed to higher debt at SaskPower (\$1.2 billion), SaskTel (\$114.1 million), and SaskEnergy (\$182.3 million). This was partially offset by decreased debt at LGS (\$32.5 million) as it repaid a portion of the debt used to purchase the assets of SLGA Holding Inc.

Debt proceeds are primarily used to fund a portion of the heavy capital needs of the Crowns including new electricity generation, 5G network modernization, fibre expansion, and growth in pipeline capacity for water and natural gas. Over the last five years, consolidated debt has grown by \$4.3 billion in support of increased assets of \$5.3 billion.



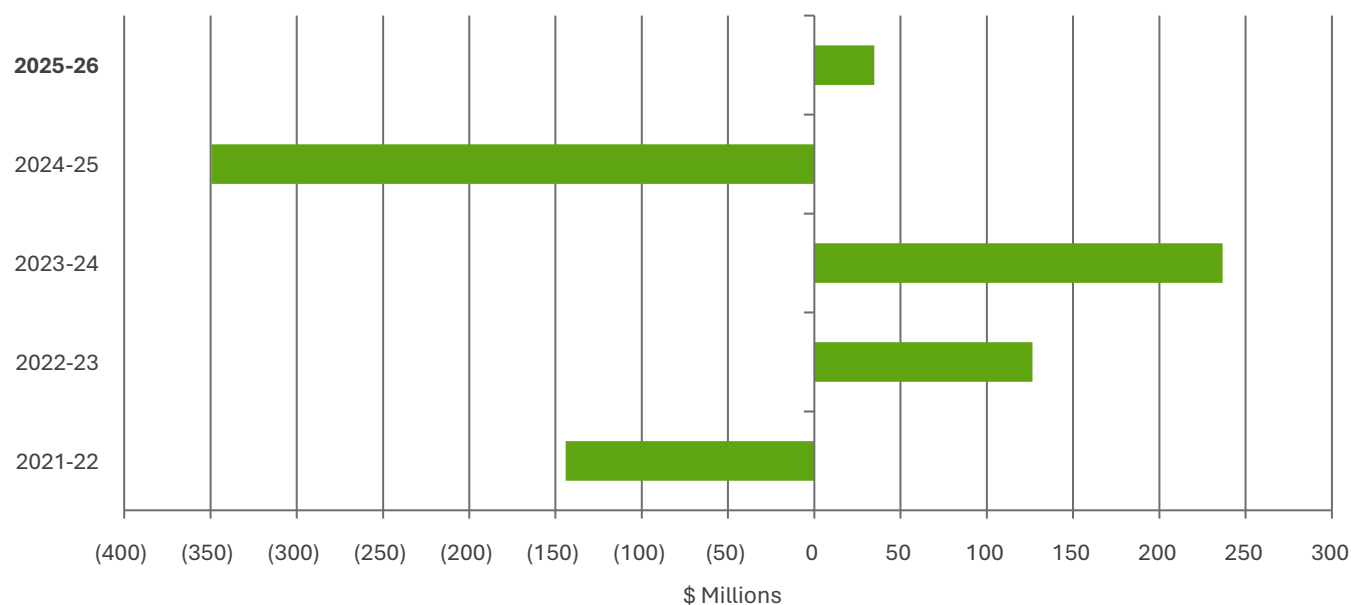
## Capital Spending

Capital spending (property, plant and equipment and intangible asset purchases) increased \$392.1 million to \$2,556.6 million in 2025-26 (2024-25 - \$2,164.5 million) primarily due to increased spending to address aging infrastructure, invest in new technology, and meet regulatory requirements and the demand for growth.

- **\$1,629.4 million was spent at SaskPower** primarily on new generation projects (Aspen Power Station - \$702.0 million), expanding natural gas generation (Ermine Power Station and Yellowhead Power Station - \$51.0 million), coal life extension (\$55.0 million), connecting customers to the electricity system (\$230.0 million), increasing capacity (\$159.0 million), and sustaining transmission and distribution infrastructure (\$579.0 million). In 2025-26, SaskPower recognized \$164.0 million in grant funding from the federal and provincial governments which was applied against capital project costs.
- **\$440.4 million was spent at SaskTel** primarily on enhanced network infrastructure (\$211.9 million) including adding 223 new 5G sites (\$136.3 million), expanding northern broadband (\$77.6 million which includes \$14.5 million in Universal Broadband Fund support), and growing SaskTel's fibre footprint (\$103.3 million).
- **\$430.3 million was spent at SaskEnergy** primarily on customer connections (\$208.0 million) including significant work to support the construction of SaskPower's Aspen Power Station near Lanigan, system expansions to meet customer growth (\$77.0 million) including an additional compression facility east of Regina and expansions to the existing Bayhurst and Unity compressor stations, and spending to ensure the safety and integrity of its extensive distribution and transmission system (\$137.0 million).

## Operating, Investing and Financing Activities

Cash and cash equivalents for 2025-26 increased \$34.9 million (2024-25 - decreased \$349.4 million). A detailed discussion of cash flows from operating, investing, and financing activities is included below.



Cash Flow Highlights (millions of dollars)	2025-26	2024-25
Net cash from operations	\$ 1,173.0	\$ 1,419.8
Net cash used in investing activities	(2,534.5)	(2,237.5)
Net cash from financing activities	1,396.4	468.3
<b>Change in cash and cash equivalents</b>	<b>\$ 34.9</b>	<b>\$ (349.4)</b>

## **Operating Activities**

Net cash from operations decreased by \$246.8 million to \$1,173.0 million in 2025-26 (2024-25 - \$1,419.8 million). The decrease was primarily due to lower earnings, higher interest paid on debt balances, unfavourable changes in non-cash working capital balances due to the timing of payments and receipts, and higher income taxes paid. SGI CANADA's out-of-province subsidiaries are subject to corporate income tax and experienced increased profitability.

## **Investing Activities**

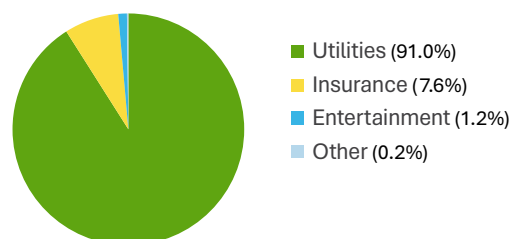
Net cash used in investing activities increased \$297.0 million to \$2,534.5 million in 2025-26 (2024-25 - \$2,237.5 million) primarily due to higher Crown capital spending.

## **Financing Activities**

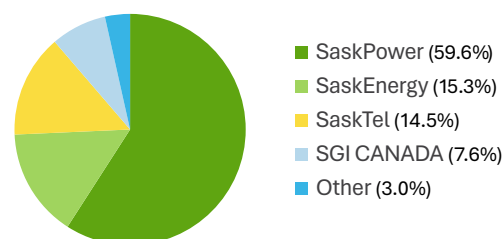
Net cash from financing activities increased \$928.1 million to \$1,396.4 million in 2025-26 (2024-25 - \$468.3 million). The change was primarily due to higher debt proceeds in the current year needed to fund the Crowns' heavy capital needs. CIC also paid \$172.0 million less in dividends in 2025-26 to ensure sufficient cash was available to pay the \$187.0 million grant to SaskPower to support rate affordability.

## Segmented Information

### Total Assets by Business Segment



### Total Assets by Corporation



	Utilities		Entertainment		Insurance		Other <sup>1</sup>		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
(millions of dollars)										
<b>Statement of Income</b>										
Total revenue	5,639	5,608	798	742	1,470	1,426	(196)	(161)	7,711	7,615
Operating (expenses) eliminations	(5,154)	(4,813)	(556)	(515)	(1,478)	(1,479)	143	134	(7,045)	(6,673)
Net finance (expenses) income	(588)	(538)	(4)	(5)	84	96	4	5	(504)	(442)
Share of net earnings from equity accounted investees	-	-	2	1	-	-	9	10	11	11
<b>Net earnings (loss)</b>	<b>(103)</b>	<b>257</b>	<b>240</b>	<b>223</b>	<b>76</b>	<b>43</b>	<b>(40)</b>	<b>(12)</b>	<b>173</b>	<b>511</b>
<b>Statement of Financial Position</b>										
Current assets	1,827	1,708	111	130	305	345	122	35	2,365	2,218
Investments & other	2,037	1,996	43	43	1,710	1,606	137	175	3,927	3,820
Capital assets <sup>2</sup>	20,569	19,095	169	159	20	24	(197)	(118)	20,561	19,160
	<b>24,433</b>	<b>22,799</b>	<b>323</b>	<b>332</b>	<b>2,035</b>	<b>1,975</b>	<b>62</b>	<b>92</b>	<b>26,853</b>	<b>25,198</b>
Current liabilities	2,932	3,002	131	162	1,276	1,275	(205)	(156)	4,134	4,283
Long-term debt	13,595	11,835	15	18	-	-	-	-	13,610	11,853
Lease liabilities	955	993	2	2	5	6	4	4	966	1,005
Other	1,176	1,158	-	-	8	9	57	55	1,241	1,222
	<b>18,658</b>	<b>16,988</b>	<b>148</b>	<b>182</b>	<b>1,289</b>	<b>1,290</b>	<b>(144)</b>	<b>(97)</b>	<b>19,951</b>	<b>18,363</b>
Province's equity	5,775	5,811	175	150	746	685	206	189	6,902	6,835
	<b>24,433</b>	<b>22,799</b>	<b>323</b>	<b>332</b>	<b>2,035</b>	<b>1,975</b>	<b>62</b>	<b>92</b>	<b>26,853</b>	<b>25,198</b>
<b>Statement of Cash Flows</b>										
Operating activities	915	1,148	278	253	(2)	39	(18)	(20)	1,173	1,420
Investing activities										
Capital asset purchases <sup>3</sup>	(2,509)	(2,122)	(46)	(36)	(2)	(6)	-	-	(2,557)	(2,164)
Other	(2)	(23)	6	7	47	(48)	(29)	(9)	22	(73)
	<b>(2,511)</b>	<b>(2,145)</b>	<b>(40)</b>	<b>(29)</b>	<b>45</b>	<b>(54)</b>	<b>(29)</b>	<b>(9)</b>	<b>(2,535)</b>	<b>(2,237)</b>
Financing activities										
Debt proceeds	1,775	1,364	-	-	-	-	-	-	1,775	1,364
Debt repayments	(326)	(350)	(3)	(3)	-	-	-	-	(329)	(353)
Dividends paid	(76)	(67)	(218)	(184)	(21)	(14)	247	25	(68)	(240)
Change in notes payable and other	51	(271)	(30)	(30)	(2)	(2)	-	-	19	(303)
	<b>1,424</b>	<b>676</b>	<b>(251)</b>	<b>(217)</b>	<b>(23)</b>	<b>(16)</b>	<b>247</b>	<b>25</b>	<b>1,397</b>	<b>468</b>
<b>Change in cash and cash equivalents</b>	<b>(172)</b>	<b>(321)</b>	<b>(13)</b>	<b>7</b>	<b>20</b>	<b>(31)</b>	<b>200</b>	<b>(4)</b>	<b>35</b>	<b>(349)</b>

<sup>1</sup> Other includes the operations of CIC (Separate), CIC AMI, and consolidation adjustments.

<sup>2</sup> Capital assets include property, plant and equipment and intangible assets.

<sup>3</sup> Capital asset purchases include property, plant and equipment and intangible assets.

*Construction of the Aspen Power Station surpassed one third completion in October, with the overall project now more than halfway complete. The 370 megawatt natural gas facility is being built near Lanigan.*



# SaskPower

## Utilities

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net (loss) earnings	\$ (113.4M)	\$ 75.7M	\$ 184.6M	\$ (172.1M)	\$ 10.7M
Dividend declared to CIC	\$ -	\$ -	\$ 18.5M	\$ -	\$ 3.2M
Total assets	\$ 16,004.8M	\$ 14,890.4M	\$ 13,744.4M	\$ 12,878.0M	\$ 12,228.9M
(Loss) return on equity	(4.0%)	2.6%	6.7%	(6.3%)	0.4%
Debt ratio	78.9%	76.2%	74.4%	74.7%	71.9%

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Total customer accounts	567,544	562,232	557,443	553,849	549,940
Gross electricity supplied (gigawatt hours)	27,085	26,174	26,575	26,426	25,646
Available generating capacity (net megawatts)	6,191	5,930	5,355	5,437	5,246
Annual peak load (net megawatts)	3,825	3,838	3,896	3,800	3,910
Power lines (kilometres)	159,837	159,684	159,698	160,707	157,386
Full-time equivalents	3,891	3,842	3,736	3,624	3,525

SaskEnergy added 3,881 distribution customers in 2025-26, providing safe, reliable energy to more than 418,000 homes and businesses throughout Saskatchewan.



## Utilities

CIC CONSOLIDATED

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ 84.4M	\$ 90.5M	\$ 21.1M	\$ 59.4M	\$ 158.3M
Net earnings before market value adjustments	\$ 96.6M	\$ 82.4M	\$ 54.5M	\$ 126.1M	\$ 82.4M
Dividend declared to CIC	\$ 33.8M	\$ 31.8M	\$ 20.6M	\$ 44.7M	\$ 21.5M
Total assets	\$ 4,097.4M	\$ 3,834.2M	\$ 3,633.9M	\$ 3,579.5M	\$ 3,516.7M
Operating return on equity	7.3%	6.4%	4.4%	10.2%	5.4%
Debt ratio	60.3%	58.6%	59.2%	58.9%	58.5%

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Total distribution customers	418,380	414,499	411,077	408,498	405,672
Residential average usage (m <sup>3</sup> )	2,632	2,557	2,565	2,641	2,677
Distribution gas lines (km)	72,907	72,662	72,232	71,936	71,581
Transmission gas lines (km)	15,238	15,190	15,338	15,336	15,317
Compressor horsepower (HP)	87,548	84,828	84,828	87,878	87,828
Peak day gas flows (Petajoules)	1.72	1.64	1.7	1.63	1.65
Full-time equivalents	1,175	1,179	1,148	1,104	1,103



*SaskTel has converted over 930 wireless sites to the 5G network, serving 94 per cent of the province's population with 5G.*



## Utilities

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ 104.7M	\$ 82.2M	\$ 95.4M	\$ 104.1M	\$ 104.4M
Operating revenue	\$ 1,398.0M	\$ 1,364.9M	\$ 1,348.5M	\$ 1,330.1M	\$ 1,300.9M
Dividend declared to CIC	\$ 41.9M	\$ 32.9M	\$ 38.2M	\$ 41.6M	\$ 94.0M
Total assets	\$ 3,880.9M	\$ 3,619.2M	\$ 3,418.9M	\$ 3,184.6M	\$ 3,083.5M
Return on Equity	7.6%	6.2%	7.5%	8.5%	8.8%
Debt ratio	56.9%	56.5%	56.0%	54.5%	54.6%

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Wireless accesses	690,618	682,563	666,046	654,674	647,765
Wireline accesses	216,159	228,113	242,221	257,396	273,856
Internet and data accesses	292,784	293,476	292,366	294,928	293,221
maxTV™ subscribers	103,797	107,554	111,166	111,200	110,192
Security monitoring subscribers	31,030	68,541	72,142	77,665	78,707
Full-time equivalents	3,226	3,242	3,257	3,274	3,333

Saskwater Technologist Brandon Wager checks a water sample during his daily rounds at a Saskatoon area pump station.



**SaskWater**

**Utilities**

CIC CONSOLIDATED

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ <b>7.9M</b>	\$ 8.6M	\$ 8.7M	\$ 8.6M	\$ 8.7M
Dividend declared to CIC	\$ <b>4.7M</b>	\$ 4.3M	\$ 4.4M	\$ 7.8M	\$ 6.5M
Total assets	\$ <b>449.5M</b>	\$ 455.7M	\$ 454.4M	\$ 382.1M	\$ 370.6M
Return on Equity	<b>8.8%</b>	10.0%	10.7%	11.0%	11.2%
Debt ratio	<b>49.9%</b>	50.8%	53.3%	50.4%	49.0%

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Total customer accounts	<b>476</b>	442	441	426	424
Total sales volumes (cubic metres)	<b>48.6M</b>	47.2M	47.8M	46.1M	49.2M
Kilometres of potable and non-potable pipeline	<b>1,130</b>	1,062	1,055	994	941
Full-time equivalents	<b>137</b>	133	128	133	133



**SGI employees from Driver Examination Services and Issuer Relations visited northern Saskatchewan to make road tests and licence issuing services more accessible to customers in remote communities.**

*L-R: Randy Watchman, Driver Examiner; Chelsey Gibson, Issuer Representative; Dakota Slywka, District Examiner II; and Tyler Goodmurphy, Driver Examiner.*



## Insurance

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ 75.7M	\$ 43.2M	\$ 78.1M	\$ 34.3M	\$ 81.8M
Dividend declared to CIC	\$ 16.0M	\$ 18.0M	\$ -	\$ -	\$ 57.5M
Total assets	\$ 2,034.9M	\$ 1,975.4M	\$ 1,820.5M	\$ 1,641.6M	\$ 1,982.9M
Return on Equity	10.6%	6.4%	12.6%	6.1%	15.8%
Minimum Capital Test <sup>1</sup>	240%	225%	225%	233%	242%

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Direct premiums written	\$ 1,473.7M	\$ 1,425.3M	\$ 1,373.1M	\$ 1,260.1M	\$ 1,144.9M
Number of policies in force	978,080	981,025	997,019	992,872	942,946
Number of claims	122,329	115,026	110,547	111,480	105,156
Full-time equivalents	2,723	2,785	2,590	2,321	2,180

<sup>1</sup> The Minimum Capital Test (MCT) is a capital adequacy test widely used in the insurance industry and indicates capital available to pay claims compared to capital required.

**SGI appraiser  
Jamie Sunkewaste (R)  
guides Ramsha Faheem (L)  
through a vehicle damage  
assessment.**



## Insurance

CIC CONSOLIDATED

The Auto Fund is not a subsidiary Crown corporation. Its results are included in this report because of SGI CANADA's administration of the Auto Fund. The results of the Auto Fund are not included in CIC's or SGI CANADA's consolidated financial statements.

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net loss	\$ (93.3M)	\$ (198.0M)	\$ (70.3M)	\$ (134.1M)	\$ (38.9M)
Total assets	\$ 3,225.0M	\$ 3,299.7M	\$ 3,274.0M	\$ 3,262.7M	\$ 3,689.1M
Minimum Capital Test <sup>1</sup>	104%	133%	149%	135%	176%
Rate Stabilization Reserve	\$ 633.6M	\$ 726.9M	\$ 924.9M	\$ 995.2M	\$ 1,051.3M

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Direct premiums written	\$ 1,176.8M	\$ 1,128.0M	\$ 1,077.9M	\$ 1,036.3M	\$ 1,007.3M
Number of licensed drivers	888,190	876,000	856,000	847,000	834,000
Number of claims	143,660	144,192	127,925	135,353	134,233
Number of injuries per 100,000 population <sup>1</sup>	394.5	435.9	445.9	487.6	388.2
Number of fatalities per 100,000 population <sup>1</sup>	8.9	8.8	7.6	8.8	7.2

<sup>1</sup> The Minimum Capital Test (MCT) is a capital adequacy test widely used in the insurance industry and indicates capital available to pay claims compared to capital required. The score provided is the 12-month rolling average score at March 31 of each fiscal year.

*LGS owns and manages the province's network of 4,200 video lottery terminals (VLTs) which are installed at more than 560 privately owned licensed taverns and restaurant lounges across the province.*



## Entertainment

Key Financial Data	2025-26	2024-25	2023-24	2022-23	2021-22
Net earnings	\$ 240.0M	\$ 223.5M	\$ 195.3M	\$ 21.3M	\$ 9.5M
Dividend declared to CIC	\$ 215.2M	\$ 190.0M	\$ 139.1M	\$ 17.0M	\$ -
Total assets	\$ 323.3M	\$ 332.3M	\$ 328.5M	\$ 88.8M	\$ 91.9M
Net margin percentage <sup>1</sup>	50.1%	48.2%	52.1%	N/A	N/A
Return on capital assets <sup>1</sup>	2.4	2.2	1.9	N/A	N/A

Key Operational Data	2025-26	2024-25	2023-24	2022-23	2021-22
Guest satisfaction with gaming products and services <sup>2</sup>	3.4 out of 5	3.4 out of 5	N/A	N/A	N/A
Player awareness of responsible gambling supports <sup>2</sup>	3.0 out of 5	3.1 out of 5	N/A	N/A	N/A
Partners' responsible gambling policies and programs promote positive play <sup>2</sup>	88%	95%	N/A	N/A	N/A
Online gaming registrants	59,080	44,913	30,432	15,379	-
Full-time equivalents	543	536	530	495	377 <sup>3</sup>

**Note:** On June 1, 2023, LGS began operations and is responsible for the management oversight of casinos, VLTs, lotteries, and online gaming in Saskatchewan. SaskGaming was reconfigured as a wholly owned business subsidiary of LGS. 2021-22 and 2022-23 financial data is exclusively derived from SaskGaming's casino operations.

<sup>1</sup> Tracking of this metric began in 2023-24.

<sup>2</sup> Tracking of this metric began in 2024-25.

<sup>3</sup> Lower full-time equivalents are due to temporary employee layoffs during the COVID-19 pandemic casino closures.

SaskPower

SaskTel

CIC

SGI

SaskEnergy



*CIC, SaskTel, SaskPower, SaskEnergy and SGI continued their support of STARS Saskatchewan with another \$400,000 each in 2025-26 as part of a five-year commitment. The Crown sector has made a significant contribution to ensuring critical care is available to rural and remote communities by committing \$30 million to STARS since 2012.*

**STARS**<sup>®</sup>

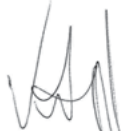
## Responsibility for Financial Statements

The accompanying consolidated financial statements have been prepared by management of Crown Investments Corporation of Saskatchewan (CIC). They have been prepared in accordance with IFRS Accounting Standards, consistently applied, using management's best estimates and judgements where appropriate. Management is responsible for the reliability and integrity of the consolidated financial statements and other information contained in this annual report.

CIC's Board of Directors is responsible for overseeing the business affairs of the Corporation and has responsibility for the approval of the consolidated financial statements. The Board of Directors is responsible for reviewing the annual consolidated financial statements and meeting with management, the corporation's external auditors KPMG LLP, and the Provincial Auditor of Saskatchewan on matters relating to the financial process.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the consolidated financial statements. Management's attestation on the adequacy of financial controls appears on the opposite page. The Provincial Auditor of Saskatchewan has reported to the legislative assembly that financial controls are adequately functioning.

KPMG LLP has audited the consolidated financial statements. Their report to the members of the legislative assembly, stating the scope of their examination and opinion on the consolidated financial statements, appears on the following page.



Kent Campbell  
President & CEO



Brad Hunt, CPA, CMA, CIA  
Corporate Controller

June 16, 2026

## Annual Statement of Management Responsibility

I, Kent Campbell, President and Chief Executive Officer of Crown Investments Corporation of Saskatchewan, and I, Brad Hunt, Corporate Controller of Crown Investments Corporation of Saskatchewan (CIC), certify the following:

That we have reviewed the consolidated financial statements included in the Annual Report of CIC. Based on our knowledge, having exercised reasonable diligence, the consolidated financial statements included in the annual report, fairly present, in all material respects the financial position, financial performance, and cash flows, as of and for the period ended March 31, 2026.

That based on our knowledge, having exercised reasonable diligence, the consolidated financial statements included in the Annual Report of Crown Investments Corporation of Saskatchewan do not contain any untrue statements of material fact, or omit to state a material fact that is either required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

That Crown Investments Corporation of Saskatchewan is responsible for establishing and maintaining effective internal controls over financial reporting, which include safeguarding of assets and compliance with applicable legislative authorities; and Crown Investments Corporation of Saskatchewan has designed internal controls over financial reporting that are appropriate to the circumstances of Crown Investments Corporation of Saskatchewan.

That Crown Investments Corporation of Saskatchewan conducted its assessment of the effectiveness of the Corporation's internal controls over financial reporting and, based on the results of this assessment, Crown Investments Corporation of Saskatchewan can provide reasonable assurance that internal controls over financial reporting as of March 31, 2026 were operating effectively, and no material weaknesses were found in the design or operation of the internal controls over financial reporting.

On behalf of management:



Kent Campbell  
President & CEO



Brad Hunt, CPA, CMA, CIA  
Corporate Controller

June 16, 2026

## **Independent Auditor's Report**

To the Members of the Legislative Assembly, Province of Saskatchewan

### **Opinion**

We have audited the consolidated financial statements of Crown Investments Corporation of Saskatchewan ("the Entity") which comprise:

- the consolidated statement of financial position as at March 31, 2026
- the consolidated statement of income for the year then ended
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the annual report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

The logo for KPMG LLP, featuring the letters 'KPMG' in a bold, sans-serif font, followed by 'LLP' in a smaller, similar font. A horizontal line is drawn underneath the text.

Chartered Professional Accountants  
Regina, Canada  
June 16, 2026

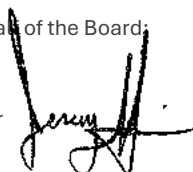
**Crown Investments Corporation of Saskatchewan**  
**Consolidated Statement of Financial Position**  
**As at March 31**  
**(thousands of dollars)**

	Note	2026	2025
<b>ASSETS</b>			
Current			
Cash and cash equivalents	6	\$ 239,168	\$ 204,266
Short-term investments	7	124,414	175,600
Short-term investments under securities lending program	7	63,427	68,310
Accounts receivable	9(d)	1,133,803	953,904
Reinsurance contract assets	8	83,784	94,535
Derivative financial assets	9	4,224	12,614
Inventories	10	479,526	466,856
Prepaid expenses		149,378	145,943
Contract assets and costs	11	87,698	96,404
		<b>2,365,422</b>	<b>2,218,432</b>
Investments	7	2,402,962	2,501,745
Investments under securities lending program	7	670,934	427,965
Contract assets and costs	11	52,238	71,599
Investments in equity accounted investees	12	146,387	140,488
Property, plant and equipment	13	20,025,956	18,650,538
Right-of-use assets	14	598,166	631,571
Intangible assets	15	535,171	509,360
Other assets		55,556	46,720
		<b>\$ 26,852,792</b>	<b>\$ 25,198,418</b>
<b>LIABILITIES AND PROVINCE'S EQUITY</b>			
Current			
Trade and other payables		\$ 1,305,538	\$ 1,251,014
Derivative financial liabilities	9	48,428	24,930
Notes payable	16	1,321,904	1,269,217
Deferred revenue		4,310	3,615
Insurance contract liabilities	8	1,228,900	1,223,232
Provisions	17	7,090	8,769
Lease liabilities	18	72,030	59,198
Long-term debt due within one year	19	19,619	329,760
Contract liabilities	20	126,771	112,939
		<b>4,134,590</b>	<b>4,282,674</b>
Provisions	17	878,818	881,620
Lease liabilities	18	965,333	1,004,709
Long-term debt	19	13,610,496	11,853,221
Contract liabilities	20	147,666	153,735
Employee future benefits	21	64,354	82,180
Other liabilities		150,246	105,091
		<b>19,951,503</b>	<b>18,363,230</b>
Equity advances	22	538,389	538,389
Retained earnings		6,171,924	6,066,592
Accumulated other comprehensive income	23	190,976	230,207
		<b>6,901,289</b>	<b>6,835,188</b>
		<b>\$ 26,852,792</b>	<b>\$ 25,198,418</b>
Subsequent event	12		
Commitments and contingencies	24		

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

On behalf of the Board:

Director



Director



**Crown Investments Corporation of Saskatchewan**  
**Consolidated Statement of Income**  
**For the Year Ended March 31**  
**(thousands of dollars)**

	Note	2026	2025
<b>INCOME FROM OPERATIONS</b>			
Revenue	25	\$ 7,692,120	\$ 7,611,473
Other income		19,497	3,107
		<b>7,711,617</b>	<b>7,614,580</b>
<b>EXPENSES</b>			
Operating		<b>4,204,269</b>	3,968,397
Salaries, wages and short-term employee benefits		<b>1,208,497</b>	1,153,624
Employee future benefits	21	<b>87,955</b>	84,611
Depreciation and amortization	26	<b>1,140,047</b>	1,072,310
Loss on disposal of property, plant and equipment	29(a)	<b>42,645</b>	34,282
Impairment losses	29(a)	<b>684</b>	4,791
(Recovery of ) provision for decommissioning and environmental remediation liabilities	17	<b>(2,797)</b>	27,869
Saskatchewan taxes and fees	27	<b>363,651</b>	326,882
		<b>7,044,951</b>	<b>6,672,766</b>
<b>RESULTS FROM OPERATING ACTIVITIES</b>			
		<b>666,666</b>	941,814
Finance income	28	<b>210,835</b>	236,292
Finance expenses	28	<b>(715,059)</b>	(678,148)
<b>NET FINANCE EXPENSES</b>			
		<b>(504,224)</b>	(441,856)
Share of net earnings from equity accounted investees	12	<b>10,890</b>	10,728
<b>NET EARNINGS</b>		<b>\$ 173,332</b>	<b>\$ 510,686</b>

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

**Crown Investments Corporation of Saskatchewan  
Consolidated Statement of Comprehensive Income  
For the Year Ended March 31  
(thousands of dollars)**

	Note	2026	2025
<b>NET EARNINGS</b>		\$ 173,332	\$ 510,686
<b>OTHER COMPREHENSIVE (LOSS) INCOME</b>			
Items that may be reclassified subsequently to net earnings:			
Unrealized (losses) gains on sinking funds	7(a)	(31,345)	35,825
Unrealized (losses) gains on cash flow hedges		(22,240)	4,635
Realized losses on cash flow hedges		459	459
Items that will not be reclassified to net earnings:			
Impact of changes in actuarial assumptions on defined benefit pension plans	21	11,307	(38,223)
Impact of changes in actuarial assumptions on other defined benefit plans	21	139	(1,064)
Gain on pension plan assets (excluding interest income)	21	2,449	36,085
		(39,231)	37,717
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN</b>		<b>\$ 134,101</b>	<b>\$ 548,403</b>

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

**Crown Investments Corporation of Saskatchewan**  
**Consolidated Statement of Changes in Equity**  
**For the Year Ended March 31**  
**(thousands of dollars)**

<b>Attributable to the Province of Saskatchewan</b>					
	Note	Equity Advances	Retained Earnings	Accumulated Other Comprehensive Income (Note 23)	Total Equity
<b>Balance at April 1, 2024</b>		<b>\$ 538,389</b>	<b>\$ 5,795,906</b>	<b>\$ 192,490</b>	<b>\$ 6,526,785</b>
Total comprehensive income		-	510,686	37,717	<b>548,403</b>
Dividends to the GRF		-	(240,000)	-	<b>(240,000)</b>
<b>Balance at March 31, 2025</b>		<b>\$ 538,389</b>	<b>\$ 6,066,592</b>	<b>\$ 230,207</b>	<b>\$ 6,835,188</b>
<b>Balance at April 1, 2025</b>		<b>\$ 538,389</b>	<b>\$ 6,066,592</b>	<b>\$ 230,207</b>	<b>\$ 6,835,188</b>
Total comprehensive income (loss)		-	173,332	(39,231)	<b>134,101</b>
Dividends to the GRF		-	(68,000)	-	<b>(68,000)</b>
<b>Balance at March 31, 2026</b>		<b>\$ 538,389</b>	<b>\$ 6,171,924</b>	<b>\$ 190,976</b>	<b>\$ 6,901,289</b>

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

**Crown Investments Corporation of Saskatchewan**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended March 31**  
**(thousands of dollars)**

	Note	2026	2025
<b>OPERATING ACTIVITIES</b>			
Net earnings		\$ 173,332	\$ 510,686
Adjustments to reconcile net earnings to cash from operating activities	29(a)	<u>1,736,426</u>	<u>1,572,315</u>
		<b>1,909,758</b>	<b>2,083,001</b>
Net change in non-cash working capital balances related to operations		<b>(66,033)</b>	<b>(33,810)</b>
Income taxes paid		<b>(21,159)</b>	<b>(5,884)</b>
Interest paid		<b>(649,522)</b>	<b>(623,500)</b>
Net cash from operating activities		<u>1,173,044</u>	<u>1,419,807</u>
<b>INVESTING ACTIVITIES</b>			
Interest received		54,415	54,588
Purchase of investments		<b>(1,381,821)</b>	<b>(1,139,488)</b>
Proceeds from sale and collection of investments		<b>1,357,764</b>	<b>1,040,301</b>
Purchase of property, plant and equipment		<b>(2,465,833)</b>	<b>(2,107,053)</b>
Decommissioning costs		<b>(22,836)</b>	<b>(29,381)</b>
Purchase of intangible assets		<b>(90,740)</b>	<b>(57,471)</b>
Decrease in other assets		<b>14,512</b>	<b>944</b>
Net cash used in investing activities		<u>(2,534,539)</u>	<u>(2,237,560)</u>
<b>FINANCING ACTIVITIES</b>			
Increase (decrease) in notes payable	29(b)	52,687	(134,155)
Increase in other liabilities		47,347	5,695
Debt proceeds from the GRF		<b>1,775,308</b>	<b>1,363,667</b>
Debt repayments to the GRF		<b>(326,700)</b>	<b>(350,000)</b>
Long-term debt repayments to other lenders		<b>(2,813)</b>	<b>(2,779)</b>
Principal repayment of lease liabilities		<b>(60,866)</b>	<b>(71,220)</b>
Sinking fund installments		<b>(133,339)</b>	<b>(117,989)</b>
Sinking fund redemptions		<b>112,773</b>	<b>15,132</b>
Dividends paid to the GRF		<b>(68,000)</b>	<b>(240,000)</b>
Net cash from financing activities		<u>1,396,397</u>	<u>468,351</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS DURING YEAR</b>		<b>34,902</b>	<b>(349,402)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>		<u>204,266</u>	<u>553,668</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>		<u>\$ 239,168</u>	<u>\$ 204,266</u>

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

## **1. General information**

Crown Investments Corporation of Saskatchewan (CIC) is a corporation domiciled and incorporated in Canada. The address of CIC's registered office and principal place of business is 400 - 2400 College Avenue, Regina, SK, S4P 1C8. The consolidated financial statements of CIC comprise CIC and its subsidiaries (collectively referred to as "CIC" or "the Corporation") and the Corporation's interest in associates, joint ventures and joint operations with principal activities as described in Note 4(a).

## **2. Basis of preparation**

### **a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board. The consolidated financial statements were authorized for issue by the Board of Directors on June 16, 2026.

### **b) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- The liability for incurred claims and the asset for reinsured claims are discounted at expected future cash flows (Note 4(c)).
- Inventory at lower of cost and net realizable value (Note 4(d)).
- Financial instruments that are accounted for according to the categories defined in Note 4(i).
- Provisions discounted at expected future cash flows (Note 17).
- Employee future benefits are recognized at the fair value of plan assets less the present value of the accrued benefit obligation (Note 21).

### **c) Functional and presentation currency**

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

### **d) Accounting estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant items subject to estimates and assumptions include the carrying amounts of investments (Note 7), inventories (Note 10), accounts receivable (Note 9(d)), investments in equity accounted investees (Note 12), property, plant and equipment (Note 13 and 26), right-of-use assets (Note 14 and 26), intangible assets (Note 15 and 26), provisions (Note 17), lease liabilities (Note 18), liability for incurred claims and the asset for reinsured claims (Note 4(c) and Note 8), contract assets and costs (Note 11), and contract liabilities (Note 20), the underlying estimations of useful lives of depreciable assets (Note 26), the fair value of financial instruments (Note 9), the carrying amounts of employee future benefits including underlying actuarial assumptions (Note 21), and the measurement of commitments and contingencies (Note 24).

## **2. Basis of preparation** *(continued)*

### **e) Accounting judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements that affect the application of accounting policies. Material items subject to judgement are included in the accounting policies listed in Note 4.

## **3. Application of new accounting standards, and amendments to standards and interpretations**

Certain new standards, interpretations, and amendments to existing standards, effective for annual periods beginning on or after January 1, 2025, have been applied in preparing these consolidated financial statements. There was no material impact to the consolidated financial statements:

- Lack of exchangeability (Amendments to IAS 21, *The Effect of Changes in Foreign Exchange Rates*).

Certain new standards, interpretations and amendments were issued by the IASB or the International Financial Reporting Interpretations Committee are not yet effective for the year ended March 31, 2026. The Corporation is currently evaluating the impact of these on the financial statements:

- Amendments to clarify when to recognize or derecognize a financial asset or liability (Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures* effective April 1, 2026).
- Changes to the presentation of financial results on the face of the income statement and related note disclosures (IFRS 18, *Presentation and Disclosure of Financial Statements* effective April 1, 2027). The new standard introduces the following new key requirements:
  - Entities are required to classify all income and expenses into operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal and a new subtotal required for profit or loss before financing and income tax. Entities' net earnings will not change.
  - Management-defined performance measures are disclosed in a single note in the financial statements.
  - Enhanced guidance is provided on how to group information in the financial statements.
  - Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

## **4. Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements except as described in Note 3. The accounting policies have been consistently applied by CIC's subsidiaries.

### **a) Basis of consolidation**

#### **Subsidiaries**

Saskatchewan provincial Crown corporations are either designated as subsidiary Crown corporations of CIC or created as CIC Crown corporations under *The Crown Corporations Act, 1993* (the Act). The Act assigns specific financial and other responsibilities regarding these corporations to CIC.

#### **4. Material accounting policies** *(continued)*

Separate audited financial statements for CIC have been prepared to show the financial position and results of operations of the corporate entity. In addition, audited financial statements for each of the undernoted Crown corporations, which are consolidated in these financial statements, are prepared and released publicly:

<b>Wholly-owned subsidiaries domiciled in Canada</b>	<b>Principal Activity</b>
Saskatchewan Power Corporation (SaskPower)	Electricity
Saskatchewan Telecommunications Holding Corporation and Saskatchewan Telecommunications (collectively SaskTel)	Information and communications technology
SaskEnergy Incorporated (SaskEnergy)	Natural gas storage and delivery
Saskatchewan Water Corporation (SaskWater)	Water and wastewater management
Saskatchewan Government Insurance (SGI CANADA)	Property and casualty insurance
Lotteries and Gaming Saskatchewan (LGS)	Entertainment

In addition to the Crown corporations listed above, the Corporation also consolidates its wholly-owned share capital subsidiary CIC Asset Management Inc. (AMI). AMI has a mandate to prudently monitor and review its remaining portfolio of investments and environmental liabilities.

#### **Associates and joint ventures (investments in equity accounted investees)**

Associates are those entities in which the Corporation has significant influence, but not control over strategic financial and operating decisions. Significant influence is presumed to exist when the Corporation holds between 20.0 and 50.0 per cent of the voting power of another entity.

Joint ventures are those entities over whose activities the Corporation has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions, and provide the Corporation with rights to the net assets of the arrangement.

Associates and joint ventures are accounted for using the equity method and are recognized initially at cost. The Corporation's investment includes any goodwill identified at acquisition, net of accumulated impairment losses.

The consolidated financial statements include the Corporation's share of the total comprehensive income and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Corporation, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Corporation's share of losses exceeds its interest in equity accounted investees, the carrying amount of that interest is reduced to \$Nil and the recognition of further losses is discontinued except to the extent that the Corporation has an obligation or has made payments on behalf of the investee.

#### **Joint operations**

##### **i) Totnes Natural Gas Storage Facility (Totnes)**

The Corporation has a 50.0 per cent interest in Totnes, which operates natural gas storage facilities in Saskatchewan.

#### **4. Material accounting policies** *(continued)*

ii) **International CCS Knowledge Centre**

The Corporation has a 50.0 per cent interest in the BHP SaskPower Carbon Capture and Storage (CCS) Knowledge Centre Inc. This not-for-profit corporation was established to advance the understanding and use of CCS as a means of managing greenhouse gas emissions and to further research projects as agreed upon by its members from time to time. The operations are fully funded by BHP Canada Inc. as per the sponsorship funding agreement which has been extended to December 31, 2026.

#### **Transactions eliminated on consolidation**

Inter-group balances and transactions, and any unrealized income and expenses arising from inter-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with investments in equity accounted investees are eliminated against the investment to the extent of the Corporation's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

#### **b) Cash and cash equivalents**

Cash and cash equivalents include short-term investments that have an original maturity of ninety days or less. The Corporation classifies cash and cash equivalents as financial instruments at fair value through profit or loss.

#### **c) Insurance and reinsurance contracts**

##### **Recognition**

The Corporation initially recognizes groups of insurance contracts it issues from the earliest of the following:

- The beginning of its coverage period;
- The date when the first payment from a policyholder is due or when the first payment is received if there is no due date; or
- When facts and circumstances indicate that the contract is onerous.

The Corporation initially recognizes a group of reinsurance contracts held:

- From the beginning of the coverage period of the group unless the reinsurance contracts provide proportionate coverage, in which case it is on the initial recognition of any underlying contracts; or
- The date the Corporation recognized an onerous group of underlying contracts if the Corporation entered into the related reinsurance contracts at or before that date.

##### **Contract boundaries**

The measurement of groups of insurance and reinsurance contracts includes all the future cash flows within the boundary of each contract. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the Corporation can compel the policyholder to pay the premiums or has a substantive obligation to provide the policyholder with services. A substantive obligation or right ends when the Corporation has the practical ability to reassess risks and can set a price or level of benefits that fully reflects those risks.

## **4. Material accounting policies** *(continued)*

### **Measurement models**

The carrying amount of a group of insurance and reinsurance contracts at the end of each reporting period is composed of the following:

- Liability for remaining coverage: the obligation to provide coverage after the reporting period for insured events that have not occurred.
- Liability for incurred claims: the obligation to investigate and pay claims for insured events that have already occurred, including events that have occurred but for which claims have not yet been reported to the Corporation and other incurred insurance expenses.
- Asset for remaining coverage: the right to receive coverage from a reinsurer after the reporting period for insured events that have not yet occurred.
- Asset for incurred claims: the right to receive compensation for reinsured events that have already occurred, including events that have occurred, but for which reinsured claims have not been reported.

### **Premium Allocation Approach (PAA)**

The Corporation applies the PAA when measuring the liability for remaining coverage as follows:

- i) Initial and subsequent measurement: The Corporation has elected to not discount the liability for remaining coverage under the PAA.
- ii) Insurance acquisition cashflow: The Corporation has elected to defer insurance acquisition cash flows and amortize the costs over the coverage period.
- iii) Onerous Contracts: The Corporation assumes no contracts in a portfolio are potentially onerous at initial recognition unless facts and circumstances indicate otherwise. The Corporation has developed a methodology for identifying indicators of possible onerous contracts, including reviewing forward looking expectations such as budget information, rate indications as well as historical experience.
- iv) Reinsurance contracts are measured on the same basis as insurance contracts, except:
  - They are adapted to reflect the features of reinsurance contracts that differ from insurance contracts, for example the generation of expenses or reduction in expenses rather than revenue,
  - They include an allowance for non-performance risk by the reinsurer (which is presented in net revenue (expenses) from reinsurance contracts), and
  - The risk adjustment represents the amount of risk being transferred to the reinsurer.
- v) Liability for incurred claims: The Corporation has elected to discount all of its liability for incurred claims.
- vi) Derecognition and contract modification: The Corporation derecognizes a contract when it is extinguished – i.e., when the specified obligations in the contract expire or are discharged or cancelled.

The Corporation also derecognizes a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognized. If a contract modification does not result in derecognition, then the Corporation treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

#### **4. Material accounting policies** *(continued)*

##### **Risk Adjustment**

The measurement of insurance and reinsurance contracts includes a risk adjustment for non-financial risk. The risk adjustment for non-financial risk is the compensation required for bearing the uncertainty about the amount and timing of cash flows of groups of insurance contracts. The risk adjustment includes the benefit of diversification and excludes the impact of financial risks. The change in the risk adjustment is presented in net earnings.

##### **Discount Rate**

The liability for incurred claims is discounted. The Corporation has established a discount yield curve using risk-free rates adjusted to reflect the illiquidity characteristics of the applicable insurance contracts.

##### **Insurance service expense**

Insurance service expense includes fulfilment and acquisition cash flows which are costs directly attributable to insurance contracts and are comprised of both direct costs and an allocation of indirect costs. It is composed of the following:

- Incurred claims and other insurance service expense, which are fulfilment cash flows and include direct incurred claims and non-acquisition costs directly related to fulfilling insurance contracts,
- Amortization of insurance acquisition cash flows, and
- Losses and reversals on onerous contracts.

#### **d) Inventories**

Inventories held-for-resale, including natural gas in storage held-for-resale, are valued at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale. Net realizable value for natural gas inventory is determined using natural gas market prices based on anticipated delivery dates. Natural gas in storage held-for-resale is charged to inventory when purchased and expensed as sold.

Other supplies inventories are valued at the lower of weighted average cost and net realizable value. Replacement cost is used as management's best estimate of the net realizable value for other supplies inventory. In establishing the appropriate provision for supplies inventory obsolescence, management estimates the likelihood that supplies inventory on hand will become obsolete due to changes in technology. Other supplies are charged to inventory when purchased and expensed or capitalized when used.

#### **e) Contract assets, costs, and liabilities**

A contract asset is recognized when the Corporation's right to consideration from the transfer of products or services to a customer is conditional on the obligation to transfer the underlying products or services. Contract assets are reclassified as accounts receivable when the right to consideration becomes conditional only as to the passage of time, typically consistent with the pattern of delivery of the related goods or services. A contract liability is recognized when consideration is received in advance of the transfer of products or services to the customer. Contract liabilities are recognized in revenue upon satisfaction of the related performance obligations. Contract assets and liabilities relating to the same contract are presented on a net basis. Amortization is recognized in net earnings consistent with the pattern of delivery of the related goods and services, ranging from two to four years.

#### **4. Material accounting policies** *(continued)*

Incremental costs of obtaining a contract with a customer are recognized in contract assets. The costs are principally composed of sales commissions and prepaid contract fulfillment costs. Capitalized costs are amortized on a systematic basis that is consistent with the period and pattern of transfer to the customer of the related products or services which is typically between two and 10 years.

##### **f) Property, plant, and equipment**

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition or construction of the asset. The cost of self-constructed assets includes materials, services, direct labour, directly attributable overheads, and other costs directly attributable to preparing the asset for its intended use. Interest costs associated with major capital and development projects are capitalized during the construction period at the weighted average cost of long-term borrowings. Assets under construction are recorded as in progress until operational and available for use, at which time they are transferred to property, plant and equipment.

Costs are recognized as an asset if it is reasonably certain that economic benefits associated with the item will flow to the Corporation and the cost can be reliably measured. Significant renewals and enhancements to existing assets are capitalized only if the useful life of the asset is increased, physical output, service capacity or quality is improved above original design standards, or operating costs are reduced by a substantial and quantifiable amount that can be reliably measured. The cost of maintenance, repairs, renewals, or replacements which do not provide benefits into the future are charged to operating expenses as incurred.

Significant parts of an item of property, plant and equipment that have different useful lives are accounted for as separate items of property, plant, and equipment.

When property, plant, and equipment is disposed of or retired, the related costs less accumulated depreciation and impairment losses are eliminated from the accounts. Any resulting gains or losses are reflected in net earnings in the period of disposal.

##### **g) Depreciation of property, plant, and equipment**

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual amount. Depreciation is recorded primarily on the straight-line basis over the useful life of each asset as follows:

Machinery and equipment	3 - 110 years
Buildings and improvements	3 - 75 years
Coal properties and rights	0 - 55 years

The useful life and depreciation method are reviewed periodically to ensure consistency with the expected pattern of economic benefits from these assets. Right-of-use assets are depreciated over the lease term.

## **4. Material accounting policies** *(continued)*

### **h) Intangible assets**

#### **Finite-life intangibles**

Finite-life intangible assets, acquired individually, with a group of other assets are measured at cost of acquisition or development less accumulated amortization and accumulated impairment losses and may include direct development costs and overhead costs directly attributable to the development activity.

Capitalized software includes externally purchased software packages as well as external and internal direct labour costs related to internally developed programs. Software development costs are capitalized if it is probable that the asset developed will generate future economic benefits. Software is amortized on a straight-line basis over an estimated useful life of one to 10 years from the date of acquisition. Maintenance of existing software programs is expensed as incurred.

Estimated useful lives of finite-life intangible assets are reviewed annually with any changes applied prospectively.

#### **Indefinite-life intangibles**

Spectrum licences, for wireless telecommunication services, have been classified as indefinite-life intangible assets due to the current licensing terms, the most significant of which are minimal renewal fees and no regulatory precedent of material licence revocation. Should these factors change, the classification as indefinite life will be reassessed. The licences are not subject to amortization and are carried at cost less accumulated impairment losses.

### **i) Financial instruments**

The Corporation classifies its financial instruments into one of the following categories: fair value through profit or loss; amortized cost; and fair value through other comprehensive income.

Financial assets and liabilities are offset and the net amount reported on the Consolidated Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### **Classification and measurement**

All financial instruments are measured at fair value on initial recognition. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments at fair value through profit or loss in which case the transaction costs are expensed as incurred. Measurement in subsequent periods depends on the classification of the financial instrument (Note 9).

#### **i) Financial instruments at fair value through profit or loss**

The Corporation classifies cash and cash equivalents, derivative financial assets and liabilities that do not qualify as a hedge and are not designated as a hedge, certain investments, and bank indebtedness as financial instruments at fair value through profit or loss. They are subsequently measured at fair value with changes in fair value recognized in net earnings.

## **4. Material accounting policies** *(continued)*

### **ii) Financial instruments at amortized cost**

The Corporation classifies accounts receivable, certain investments, trade and other payables, notes payable and long-term debt as amortized cost. Amortized cost financial instruments are subsequently measured at amortized cost using the effective interest method, less any provision for impairment losses on financial assets. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the net carrying amount of the financial instrument.

### **iii) Financial instruments at fair value through other comprehensive income**

The Corporation classifies sinking funds as fair value through other comprehensive income. They are subsequently measured at fair value with changes in fair value recognized in other comprehensive income.

### **Investments under securities lending program**

Securities lending transactions are entered into on a collateralized basis. The securities lent are not derecognized on the consolidated statement of financial position given that the risks and rewards of ownership are not transferred from the Corporation to the counterparties in the course of such transactions. The securities are included in the consolidated statement of financial position on the basis that the counterparties may resell or re-pledge the securities during the time that the securities are in their possession.

Securities received from counterparties as collateral are not included in the consolidated statement of financial position given that the risks and rewards of ownership are not transferred from the counterparties to the Corporation in the course of such transactions. In Canada, the current market practice is to obtain collateral of at least 102.0 per cent of the market value of the securities lent. At March 31, 2026, the Corporation held collateral of \$771.1 million (2025 - \$521.1 million) for the loaned securities, which represents approximately 105.0 per cent of the fair value of the loaned securities.

### **j) Impairments**

#### **Financial assets**

The Corporation recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost and on debt instruments designated as fair value through other comprehensive income (FVOCI). The Corporation measures loss allowances for accounts receivable at an amount equal to lifetime ECL. Debt instruments and other receivables that are determined to have low credit risk at the reporting date are measured at 12-month ECL. The Corporation considers a debt instrument to have low credit risk when its credit risk rating is A or higher (investment grade).

When determining whether the credit risk of a financial asset has increased, the Corporation performs a quantitative and qualitative analysis based on the Corporation's historical experience and forward-looking information. The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full, without recourse by the Corporation to actions such as realizing security.

#### **4. Material accounting policies** *(continued)*

Credit loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets and recognized in net earnings. For debt instruments at FVOCI, the loss allowance is charged to net earnings and is recognized in other comprehensive income (loss) (OCI). The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery.

##### **Non-financial assets**

The carrying amounts of non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in net earnings. Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the assets in the unit (group of units) on a pro-rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

##### **k) Provisions**

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the obligation or at the best estimate to settle the obligation at the end of the reporting period. The unwinding of the discount on provisions is recognized as finance expenses.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **4. Material accounting policies** *(continued)*

### **Decommissioning provisions**

A decommissioning provision is a legal or constructive obligation associated with the decommissioning of a long-lived asset. The Corporation recognizes decommissioning provisions in the period incurred if a reasonable estimate of fair value (net present value) can be determined. The Corporation recognizes provisions to decommission coal generation facilities, natural gas generation facilities, cogeneration facilities, wind generation facilities, telecommunication towers, antennae, and fuel storage tanks in the period in which the facilities are commissioned.

The fair value of estimated decommissioning costs is recorded as a provision with an offsetting amount capitalized and included as part of property, plant and equipment. Decommissioning provisions are increased periodically for the passage of time by calculating accretion expense on the provision. The offsetting capitalized costs are depreciated over the estimated useful life of the related asset.

The calculations of fair value are based on detailed studies that take into account various assumptions regarding the anticipated future cash flows including the method and timing of decommissioning and an estimate of future inflation. Decommissioning provisions are periodically reviewed and any changes in the estimated timing and amount of future cash flows, as well as changes in the discount rate, are recognized as an increase or decrease in the carrying amount of the liability and the related asset. If the asset is fully depreciated, the changes are recognized in net earnings immediately.

### **Environmental remediation**

A provision for environmental remediation is accrued when the occurrence of an environmental expenditure, related to present or past activities of the Corporation, is considered probable and the costs of remedial activities can be reasonably estimated. These estimates include costs for investigations and remediation at identified sites. These provisions are based on management's best estimate considering current environmental laws and regulations and are recorded at fair value. The Corporation reviews its estimates of future environmental expenditures on an ongoing basis. Changes in the estimated timing and amount of future cash flows, as well as changes in the discount rate, are recognized in net earnings immediately.

## **l) Revenue**

### **Natural gas sales and delivery**

The Corporation has the exclusive right to distribute natural gas within the province of Saskatchewan. The Corporation may purchase, distribute, sell, manufacture, produce, transport, gather, compress and store natural gas as per *The SaskEnergy Act*. The Corporation's natural gas commodity revenue and transportation services are based on the consideration specified in contracts with customers. Revenue from natural gas sales contracts with customers is recognized when control of the product is transferred to the customer or transportation service has been completed. This is generally at the point in time when the customer obtains legal title to the natural gas at its custody transfer point or the transportation service has been completed at the customer's natural gas line location and collection is reasonably assured. The amount of revenue recognized is based on the consideration specified in the contract.

A delivery service contract generates revenue from the transportation of natural gas to customers. Delivery revenue is recognized when natural gas is transferred to customers at their meter point and the performance obligation is satisfied.

#### **4. Material accounting policies** *(continued)*

The transaction price is allocated to natural gas sales and delivery service based on the applicable rates derived through the review process with the Saskatchewan Rate Review Panel and subsequently approved by Cabinet. An estimate of natural gas delivered, but not billed, is included in net earnings.

The Corporation also uses its access to natural gas markets to execute sales with offsetting purchases of natural gas to generate margins. Forward natural gas sales are recognized at fair value until the contract is realized into revenue at the point in time the contract becomes due.

##### **Natural gas transportation and storage**

In transportation and storage services, the performance obligation is satisfied when the transportation and storage services are complete and billed monthly. An estimate of transportation, storage and related services rendered, but not billed, is included in net earnings.

##### **Electricity**

Revenues from contracts with customers are derived from the generation, transmission, distribution, purchase and sale of electricity and related products and services. Contracts are evaluated to determine if they meet the definition of a contract with a customer at the inception of the contract and on an ongoing basis if there is an indication of significant changes in facts and circumstances. Revenue is measured based on the transaction price specified in a contract with a customer. Revenue is also recognized when control over a promised good or service is transferred to the customer and the Corporation is entitled to consideration as a result of completion of the performance obligation.

A contract liability is recorded when the Corporation receives consideration before the performance obligations have been satisfied. A contract asset is recorded when the Corporation has rights to consideration for the completion of a performance obligation when that right is conditional on something other than the passage of time. The Corporation recognizes unconditional rights to consideration separately as a receivable. Contract assets and receivables are evaluated at each reporting period to determine whether there is any objective evidence that they are impaired.

Significant judgment may be required to identify the number of distinct performance obligations within a contract and the allocation of the transaction price to multiple performance obligations in a contract, and to determine when performance obligations have been satisfied.

Electricity sales contracts are deemed to have a single performance obligation as the promise to transfer individual goods or services is not separately identifiable from other obligations in the contracts and therefore not distinct. These performance obligations are satisfied over time as electricity is delivered because of the continuous transfer of control to the customer. The method of revenue recognition for the electricity is an output method, which is based on the volume delivered to the customer and includes an estimate of electricity deliveries not yet billed at year end. Electricity export sales are recognized upon delivery to the customer and include an estimate of electricity deliveries not yet billed at year end.

Electricity trading revenues are reported on a net basis upon delivery of electricity to the customers and receipt of electricity purchased from external parties. Electricity trading contracts are recorded at fair value.

## **4. Material accounting policies** *(continued)*

### **Telecommunications**

Telecommunications revenue is measured based on the value of the expected consideration in a contract with a customer and excludes sales taxes and other amounts collected on behalf of third parties. Revenue is recognized when control of a product or service is transferred to a customer. When the Corporation's right to consideration from a customer corresponds directly with the value to the customer of the products and services transferred to date, the Corporation recognizes revenue in the amount to which the Corporation has a right to invoice.

For multiple element arrangements, the Corporation accounts for individual products and services when they are separately identifiable, and the customer can benefit from the product or service on its own. The total arrangement consideration is allocated to each product or service included in the contract with the customer based on its stand-alone selling price. Stand-alone selling prices are generally determined based on the observable prices at which the Corporation sells products separately without a service contract and prices for non-bundled service offerings with the same range of services, adjusted for market conditions and other factors, as appropriate. When similar products and services are not sold separately, the Corporation uses the expected cost plus margin approach to determine stand-alone selling prices. Products and services purchased by a customer in excess of those included in the bundled arrangement are accounted for separately.

Wireless revenue is principally generated from providing integrated digital wireless voice and data communications products and services to residential and business customers. For wireless products and services that are sold separately, customers usually pay in full at the point of sale for products and on a monthly basis for services. For wireless products and services sold in multiple element arrangements, customers pay monthly over a contract term of up to 36 months. For multiple element arrangements, stand-alone selling prices are determined using observable prices adjusted for market conditions and other factors, as appropriate.

Revenue is also generated from providing data, including internet access and internet protocol television, local telephone, long distance and connectivity, security services and other communications services and products to residential and business customers. Revenue also includes amounts from the Corporation's wholesale business, which sells telecommunication services from or to resellers and other carriers. Revenue is recognized in the period earned, as services are provided, based on access to the Corporation's facilities. Services are paid for monthly except where a billing schedule has been established. Payments received in advance are recorded as contract liabilities and recognized as revenue upon satisfaction of the related performance obligation.

Product revenue from the sale of equipment is recognized when a customer takes possession of the product. Service revenue is recognized evenly over time, as the services are provided. Revenue on certain long-term contracts is recognized using output methods based on products delivered, performance completed to date, time elapsed or milestones met.

#### **4. Material accounting policies** *(continued)*

##### **Property and casualty insurance**

The Corporation's property and casualty insurance policies have all been classified as insurance contracts upon inception. An insurance contract is a contract that transfers significant insurance risk and, upon the occurrence of the insured event, causes the insurer to make a benefit payment to the insured party. The sale of policies generates insurance revenue and are recorded in revenue over the terms of the related policies. The portion of the policy premiums relating to the unexpired term of each policy is recorded within the liability for remaining coverage component of insurance contract liabilities.

Insurance revenue on direct insurance is allocated over the coverage period of the contract and includes:

- Premium receipts net of cancellations, and sales taxes, and
- Other insurance revenue which includes fees collected from policyholders in connection with the costs incurred for the Corporation's billing plans and fees received for the administration of other policies.

A group of insurance contracts is considered onerous if there is a net outflow of fulfilment cash flows, resulting in the expected net outflow being recognized as a loss component in the liability for remaining coverage and a loss is recognized in net earnings immediately.

The Corporation assumes no contracts in a portfolio are potentially onerous at initial recognition unless facts and circumstances indicate otherwise. The Corporation has developed a methodology for identifying indicators of possible onerous contracts, including reviewing forward-looking expectations such as budget information and rate indications as well as historical experience.

At each reporting date, if facts and circumstances indicate that a group of insurance contracts is potentially onerous, then the Corporation applies the same analysis it has performed for groups potentially onerous at initial recognition.

##### **Gaming**

Revenue from lotteries and gaming consists of revenue from land-based casinos and slot machines, VLTs, online gaming and lotteries. Gaming revenue (slot and VLTs) represents the net win from gaming activities, which is the difference between the amounts wagered and the payouts by the casino. Revenues are net of accruals for anticipated payouts of progressive jackpots. Online gaming revenue generated from online games is recorded in the same period the games are played and it is measured at the fair value of the consideration received or receivable. Net lottery ticket revenue is recorded as of the date of the draw, with the exception of instant lottery tickets which is when the ticket is sold.

The Corporation determined revenues from Saskatchewan Indian and Gaming Authority (SIGA) should be recognized on a gross basis as the Corporation is the principal for the slot and online gaming revenue earned under the Casino Operating Agreement.

## **4. Material accounting policies** *(continued)*

### **Customer contributions**

The Corporation obtains customer contributions related to the construction of new natural gas, electricity, water and wastewater service connections.

Customer contribution contracts for natural gas and electricity services are deemed to have a single performance obligation. These performance obligations are satisfied at a point in time and recognized in net earnings. The customer contributions are recognized initially as contract liabilities and are recognized into net earnings once the related property, plant and equipment is available for use. The transaction price is the estimated construction charge for the connection. These customer contributions are often subject to refunds over a specified period. An estimate of these refunds remains in deferred revenue until the eligible refund period expires.

Customer contributions received from water and wastewater customers are recognized initially as contract liabilities when there is reasonable assurance that they will be received and the Corporation will comply with the conditions associated with the customer contract. The contributions are then recognized into net earnings on a systematic basis over the life of the related customer contract. If there is no customer contract in place, the contributions are recognized into revenue on a systematic basis over the life of the related assets.

### **m) Government grants**

Conditional government grants are initially measured at fair value and recognized as other liabilities provided there is reasonable assurance that the grant will be received and the Corporation will comply with the conditions associated with the grant. Grants that compensate the Corporation for expenses incurred are recognized in net earnings in the same period in which the expenses are recognized. Grants that compensate the Corporation for the cost of an asset are capitalized and recognized in net earnings over the useful life of the asset.

### **n) Foreign currency transactions**

Transactions in foreign currencies are translated to Canadian dollars at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Canadian dollars at the exchange rate at that date. Non-monetary assets and liabilities are translated using the exchange rates on the date of the transactions. Foreign currency differences arising on translation are recognized in net earnings.

### **o) Employee future benefits**

The Corporation has three defined benefit pension plans and other plans that provide post-retirement benefits for its employees.

#### **Defined benefit pension plan**

A defined benefit pension plan is a post-employment benefit plan in which the Corporation's net obligation is calculated by estimating the discounted amount of future benefit that employees have earned in return for service in the current and prior periods and deducting the fair value of plan assets.

#### **4. Material accounting policies** *(continued)*

The calculation of the net defined benefit pension obligation or asset is performed annually by qualified actuaries using the projected unit credit method. When the calculation results in a potential asset, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the defined benefit pension plans or reductions in future contributions to the pension plans. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit pension obligation or asset are comprised of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of the asset ceiling (if any, excluding interest), and are recognized immediately in OCI. The net interest expense (income) on the net defined benefit pension plan obligation or asset is determined by applying the discount rate used to measure the defined benefit pension plan obligation or asset at the beginning of the period, to the net defined benefit pension plan obligation or asset, taking into account any changes in the net defined pension plan obligation or asset during the period as a result of contributions and benefit payments. Net interest expense related to the defined benefit pension plans is recognized immediately in net earnings as part of finance expenses.

When the benefits of the defined benefit pension plans are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in net earnings. The Corporation recognizes gains and losses on the settlement of defined benefit pension plans when the settlement occurs.

The discount rate used to determine the benefit obligation and the fair value of plan assets is determined by reference to market interest rates of high-quality debt instruments at the measurement date, with cash flows that match the timing and amount of expected benefit payments.

##### **Other defined benefit plans**

The Corporation's obligation in respect of employee future benefits other than pension plans is the discounted estimated amount of future benefit that employees have earned in return for service in the current and prior periods. The discount rate used to determine the benefit obligation is determined by reference to market interest rates at the measurement date of high-quality debt instruments, with cash flows that match the timing and amount of expected benefit payments. The calculation is performed by qualified actuaries using the projected unit credit method. Remeasurements, consisting of actuarial gains and losses, are recognized immediately in OCI. Net interest expense on the other defined benefit obligation is recognized immediately in net earnings as part of finance expenses.

The Corporation has not established a trust nor does it hold property for the specific purpose of providing benefits to the participants of these plans. Benefits are funded by the current operations of the Corporation.

#### **p) Finance income and expenses**

Finance income comprises sinking fund earnings, interest income on investments at fair value through profit or loss, gains on sale of investments at fair value through profit or loss, changes in fair value of financial assets at fair value through profit or loss, interest income from defined benefit pension plans, and insurance finance income from the change in carrying amount of the group of insurance contracts.

#### **4. Material accounting policies** *(continued)*

Finance expenses comprise interest expense on financial liabilities measured at amortized cost, changes in the fair value of financial assets at fair value through profit or loss, accretion expense on provisions less interest capitalized, interest costs on defined benefit pension plans and other defined benefit plans, amounts amortized to net earnings from accumulated other comprehensive loss and, insurance finance expenses from the change in carrying amount of the group of insurance contracts. Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset form part of the cost of that asset, with a corresponding decrease in financing expenses. On the consolidated statement of cash flows, interest paid is classified as an operating activity, interest received is classified as an investing activity, and dividends paid are classified as a financing activity.

##### **q) Leases**

A contract contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation has assessed its arrangements to determine whether they contain a lease. This includes certain take-or-pay power purchase agreements that give the Corporation the exclusive right to use specific production assets.

Right-of-use assets are initially measured at an amount equal to the lease liability and are adjusted for any payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the related lease term. The Corporation has applied judgment to determine the lease term for contracts that include renewable options. The assessment of whether the Corporation is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized (Notes 14 and 18).

The corresponding lease liability is measured at the present value of the lease payments that are not paid at commencement and are discounted using the Corporation's incremental borrowing rate or the rate implicit in the lease. Each lease payment is allocated between the liability and interest to achieve a constant rate on the finance balance outstanding. The interest component is included in finance expense. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Corporation's estimate or assessment of whether it will exercise an extension, termination, or purchase option. A compensating adjustment is made to the right-of-use asset or is recorded in net earnings if the carrying amount of the right-of-use asset has been reduced to zero (Notes 14 and 18).

Payments for short-term and low value leases are recognized as an operating expense. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset and are recognized as an expense in the period in which the event or condition that triggers that payment occurs.

#### **5. Status of CIC**

CIC was established by Order in Council 535/47 dated April 2, 1947 and is continued under the provisions of *The Crown Corporations Act, 1993*. CIC is an agent of His Majesty in Right of the Province of Saskatchewan and as a provincial Crown corporation is not subject to federal and provincial income taxes. Certain associates, joint ventures, joint operations and subsidiaries are not provincial Crown corporations and are subject to federal and provincial income taxes.

**Crown Investments Corporation of Saskatchewan**  
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**6. Cash and cash equivalents**

(thousands of dollars)

	<u>2026</u>		<u>2025</u>
Cash	\$ 222,660	\$	190,613
Short-term investments	16,508		13,653
	<u>\$ 239,168</u>	\$	<u>204,266</u>

The weighted average interest rate for short-term investments included in cash and cash equivalents at March 31, 2026 was 2.4 per cent (2025 - 2.8 per cent).

**7. Investments**

(thousands of dollars)

	<u>2026</u>		<u>2025</u>
<b>Short-term investments</b>			
Short-term investments - fair value through profit or loss	\$ 79,188	\$	99,015
Loans receivable - amortized cost	3,228		3,228
Bonds and debentures - amortized cost	40,344		20,508
Sinking funds - fair value through other comprehensive income (a)	1,654		52,849
	<u>\$ 124,414</u>	\$	<u>175,600</u>
<b>Portfolio investments</b>			
Portfolio investments - fair value through profit or loss	\$ 572,442	\$	646,015
<b>Bonds, debentures and loans receivable</b>			
Bonds and debentures - fair value through profit or loss	453,134		519,135
Bonds and debentures - amortized cost	-		40,344
Loans receivable - amortized cost	35,488		34,754
	<u>488,622</u>		<u>594,233</u>
<b>Sinking funds - fair value through other comprehensive income (a)</b>	<u>1,341,898</u>		<u>1,261,497</u>
	<u>\$ 2,402,962</u>	\$	<u>2,501,745</u>

	<u>2026</u>		<u>2025</u>
<b>Securities lending program</b>			
<b>Short-term investments</b>			
Short-term investments - fair value through profit or loss	\$ 63,427	\$	68,310
<b>Bonds and debentures</b>			
Bonds and debentures - fair value through profit or loss	\$ 670,934	\$	427,965

**Crown Investments Corporation of Saskatchewan**  
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**7. Investments** *(continued)*

a) Changes in the carrying amount of sinking funds are as follows (thousands of dollars):

	<u>2026</u>	<u>2025</u>
Sinking funds, beginning of year	\$ 1,314,346	\$ 1,131,599
Installments	133,339	117,989
Earnings	39,985	44,065
Redemptions	(112,773)	(15,132)
Unrealized (losses) gains	(31,345)	35,825
Sinking funds, end of year	\$ 1,343,552	\$ 1,314,346
Current portion of sinking funds	(1,654)	(52,849)
Long-term portion of sinking funds	\$ 1,341,898	\$ 1,261,497

Sinking fund installments due in each of the next five years are as follows (thousands of dollars):

2027	\$ 155,038
2028	154,997
2029	150,748
2030	148,497
2031	146,498

**8. Insurance and reinsurance contracts**

(thousands of dollars)

The net carrying amounts of insurance and reinsurance contracts are as follows:

	<u>2026</u>	<u>2025</u>
Liability for remaining coverage	\$ 182,189	\$ 225,573
Liability for incurred claims	1,046,711	997,659
<b>Insurance contract liabilities</b>	<b>1,228,900</b>	<b>1,223,232</b>
Liability for remaining coverage	(995)	(8,820)
Asset for incurred claims	84,779	103,355
<b>Reinsurance contract assets</b>	<b>83,784</b>	<b>94,535</b>
<b>Net insurance and reinsurance contracts</b>	<b>\$ 1,145,116</b>	<b>\$ 1,128,697</b>

## 9. Financial and insurance risk management

### Financial risk management

The Corporation is exposed to market risk (power generation, natural gas sales, equity prices, sinking funds, foreign exchange rates, and interest rates), credit risk, and liquidity risk. The Corporation utilizes a number of financial instruments to manage market risk. The Corporation mitigates these risks through policies, limits on use and amount of exposure, internal monitoring, and compliance reporting to senior management and the Board.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are estimates using present value and other valuation techniques which are significantly affected by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates that reflect varying degrees of risk.

Therefore, due to the use of judgement and future-oriented information, aggregate fair value amounts should not be interpreted as being realizable in an immediate settlement of the instruments.

(thousands of dollars)		2026		2025	
<b>Financial Instruments</b>	<b>Classification</b>	<b>Carrying Amount</b>	<b>Fair Value</b>	<b>Carrying Amount</b>	<b>Fair Value</b>
<b>Financial Assets</b>					
Cash and cash equivalents	FVTPL	\$ 239,168	\$ 239,168	\$ 204,266	\$ 204,266
Accounts receivable	AC	1,133,803	1,133,803	953,904	953,904
Derivative financial assets	FVTPL	4,224	4,224	12,614	12,614
Investments	FVTPL	1,839,125	1,839,125	1,760,440	1,760,440
Investments - sinking funds	FVOCI	1,343,552	1,343,552	1,314,346	1,314,346
Investments	AC	79,060	79,256	98,834	100,227
<b>Financial Liabilities</b>					
Trade and other payables	AC	1,305,538	1,305,538	1,251,014	1,251,014
Derivative financial liabilities	FVTPL	48,428	48,428	24,930	24,930
Notes payable	AC	1,321,904	1,321,904	1,269,217	1,269,217
Long-term debt	AC	13,630,115	12,575,388	12,182,981	11,690,879
		2026		2025	
<b>Derivative Instruments</b>	<b>Classification</b>	<b>Asset</b>	<b>(Liability)</b>	<b>Asset</b>	<b>(Liability)</b>
Physical natural gas contracts	FVTPL	\$ 3,825	\$ (21,979)	\$ 5,778	\$ (12,359)
Natural gas price swaps	FVTPL	399	(26,449)	6,053	(12,571)
Foreign exchange forward contracts	FVTPL	-	-	783	-
		<b>\$ 4,224</b>	<b>\$ (48,428)</b>	<b>\$ 12,614</b>	<b>\$ (24,930)</b>

Classification details are:

FVTPL - fair value through profit or loss  
FVOCI - fair value through other comprehensive income  
AC - amortized cost

## 9. Financial and insurance risk management *(continued)*

### a) Fair value hierarchy

Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of inputs used in the valuation.

Level 1 - Unadjusted quoted prices for identical assets or liabilities are readily available from an active market. The Corporation defines an active market based on the frequency of valuation, any restrictions or illiquidity on disposition of the underlying asset or liability, and trading volumes.

Level 2 - Inputs, other than quoted prices included in level 1, that are observable either directly or indirectly.

Level 3 - Inputs are not based on observable market data.

The Corporation's financial instruments are categorized within this hierarchy as follows (thousands of dollars):

	2026			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 239,168	\$ -	\$ -	\$ 239,168
Notes payable	-	1,321,904	-	1,321,904
Investments - FVTPL	52,471	1,462,188	324,466	1,839,125
Investments - FVOCI	-	1,343,552	-	1,343,552
Investments - AC	-	79,256	-	79,256
Long-term debt	-	12,575,388	-	12,575,388
Physical natural gas contracts - net	-	(18,154)	-	(18,154)
Natural gas price swaps - net	-	(26,050)	-	(26,050)
	2025			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 204,266	\$ -	\$ -	\$ 204,266
Notes payable	-	1,269,217	-	1,269,217
Investments - FVTPL	-	1,433,521	326,919	1,760,440
Investments - FVOCI	-	1,314,346	-	1,314,346
Investments - AC	-	100,227	-	100,227
Long-term debt	-	11,690,879	-	11,690,879
Physical natural gas contracts - net	-	(6,581)	-	(6,581)
Natural gas price swaps - net	-	(6,518)	-	(6,518)
Foreign exchange forward contracts - net	-	783	-	783

The Corporation's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the period, the Corporation reclassified its Canadian equity, global equity, and global small cap equity funds out of Level 1 and into Level 2, as the funds do not have quoted prices in an active market. Comparative information has been reclassified to conform to the current period's presentation.

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**9. Financial and insurance risk management** *(continued)*

The changes in level 3 investments carried at fair value are as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
Balance, beginning of year	\$ 326,919	\$ 285,719
Unrealized (losses) gains attributable to assets held at the end of the year included in impairment losses	(3,282)	5,781
Purchases	18,134	41,419
Sales	(17,305)	(6,000)
<b>Balance, end of year</b>	<b>\$ 324,466</b>	<b>\$ 326,919</b>

**Investments**

**i) Categorized as level 2**

Investments categorized as level 2 in the hierarchy include sinking funds, bonds, and debentures.

The fair value of sinking funds is determined by management using information provided by the Saskatchewan Ministry of Finance. To the extent possible, valuations reflect indicative secondary pricing for these securities. In all other circumstances, valuations are determined with reference to similar actively traded instruments.

The fair value of bonds and debentures is derived from market price data for same or similar instruments obtained from the investment custodian, investment managers or dealer markets.

**ii) Categorized as level 3**

Determining fair value for the Corporation's level 3 investments, which are not publicly traded and recorded at fair value through profit or loss, requires application of professional judgement and use of estimates. Significant assumptions used by the Corporation to estimate include the timing and amount of future cash flows, anticipated economic outlook for the investee's industry, impact of pending or potential regulation or legislation, forecast consumer tastes, emergence of substitute products, anticipated fluctuations in commodities prices, and macro-economic demand.

Significant aspects of professional judgement include selecting an appropriate valuation approach, determining a range of appropriate risk-adjusted rates of return for a series of cash flows, and assessing the risk inherent in cash flows, the probabilities of micro and macro-economic variables occurring, and probabilities of potentially significant company, industry, or economic factors occurring or failing to occur.

## **9. Financial and insurance risk management** *(continued)*

Level 3 includes a pooled mortgage fund and a pooled real estate fund. The fair value of these investments is based on the Corporation's share of the net asset value of the respective fund, as determined by its investment manager, and used to value purchases and sales of units in the investments. The fair value for the pooled mortgage fund is determined based on market values of the underlying mortgage investments, calculated by discounting scheduled cash flows through to the estimated maturity of the mortgages (using spread-based pricing over Government of Canada bonds with a similar term to maturity), subject to adjustments for liquidity and credit risk. The fair value of the pooled real estate fund is determined based on the most recent appraisals of the underlying properties. Real estate properties are appraised semi-annually by external, independent professional real estate appraisers who are accredited through the Appraisals Institute of Canada. Real estate appraisals are performed in accordance with generally accepted appraisal standards and procedures and are based primarily on the discounted cash flow and income capitalization methods.

Where evidence of a recent arm's length transaction has occurred in the shares of an unlisted equity position held by the Corporation, the Corporation considers such a transaction to generally provide a good indication of fair value. Where a recent arm's length transaction has not occurred, or secondary indicators exist which would question the applicability of a recent transaction, the Corporation considers alternative valuation methodologies. These methods are primarily focused on the projected earnings or cash flows of the business, discounted to present value by applying a discount rate which appropriately reflects industry and company specific risk factors.

In circumstances where fair value cannot be estimated reliably, a level 3 investment is reported at the carrying value at the previous reporting date unless there is evidence that the investment has since been impaired. All recorded values of investments are reviewed at each reporting date for any indication of impairment and adjusted accordingly.

### **Long-term debt**

The fair value of long-term debt is determined using an income approach. Fair values are estimated using the present value of future cash flows, discounted at the market rate of interest for the equivalent Province of Saskatchewan debt instruments.

### **Derivative financial assets and liabilities**

The fair value of electricity-related derivatives, physical natural gas contracts and natural gas price swaps are determined using a market approach. The Corporation obtains quoted market prices from sources such as the New York Mercantile Exchange, the Natural Gas Exchange, independent price publications, and over-the-counter broker quotes. Where contract prices are referenced to an index price that has been fixed, the market price has been used to estimate the contract price.

### **Other financial assets and liabilities**

Other financial assets and liabilities including accounts receivable and trade and other payables have not been classified in the fair value hierarchy given that carrying value approximates fair value due to immediate or short-term maturity.

## 9. Financial and insurance risk management *(continued)*

### b) Unrealized gains on financial instruments

Depending on the nature of the derivative instrument and market conditions, the change in fair value of derivative financial assets and derivative financial liabilities is recorded in net earnings as either revenue or operating expenses. The impact of unrealized gains on net earnings is as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
Revenue	\$ <b>2,849</b>	\$ 243
Operating expenses	<b>(14,422)</b>	8,612
<b>(Decrease) increase in net earnings</b>	<b>\$ (11,573)</b>	<b>\$ 8,855</b>

### c) Market risk

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing return. The Corporation manages the following market risks:

#### Power generation

The Corporation is exposed to natural gas price risk through natural gas purchased for its natural gas-fired power plants and through certain PPAs that have a cost component based on the market price of natural gas. As at March 31, 2026, the Corporation had entered into natural gas contracts to price manage the following approximate percentages of its budgeted power generations natural gas purchases:

2027	50.0%
2028	34.0%
2029	16.0%
2030	3.0%

As at March 31, 2026, the Corporation held the following instruments to hedge exposures to changes in natural gas price risk:

	<b>1 year</b>	<b>2-5 years</b>	<b>More than 5 years</b>
<b>Natural gas hedges</b>			
Total outstanding gigajoules (GJ) (millions)	<b>15.0</b>	<b>16.0</b>	-
Net exposure - loss (millions)	\$ <b>(18.0)</b>	\$ <b>(8.0)</b>	\$ -
Weighted average hedged price per GJ	\$ <b>3.09</b>	\$ <b>2.98</b>	\$ -
Weighted average forward market price per GJ	\$ <b>1.92</b>	\$ <b>2.45</b>	\$ -

Based on the Corporation's year-end closing positions, a \$1 per GJ increase in the price of natural gas would have resulted in a \$30.0 million improvement (2025 - \$33.0 million) in the unrealized market value adjustments recognized in other comprehensive income for the period. This sensitivity analysis does not represent the underlying exposure to changes in the price of natural gas on the remaining forecasted power generation natural gas purchases which are unhedged as at March 31, 2026.

## 9. Financial and insurance risk management *(continued)*

### Natural gas sales

The Corporation purchases natural gas for resale to its customers. While natural gas is purchased at fluctuating market prices, the Corporation sells natural gas to customers at a fixed commodity rate that is reviewed semi-annually. As part of its natural gas price risk management, the Corporation uses derivative instruments to manage the price of the natural gas it buys. The Corporation's objective is to reduce the volatility of natural gas prices and to have natural gas rates that are competitive to other utilities. The Corporation also purchases and sells natural gas in the open market to generate incremental net earnings through its natural gas marketing activities.

The purchase or sale price of natural gas may be fixed within the contract or referenced to a floating index price. When the price is referenced to a floating index price, natural gas derivative instruments may be used to fix the settlement amount. The types of natural gas derivative instruments the Corporation may use for price risk management include natural gas price swaps, options, swaptions, and forward contracts.

The Corporation's commodity price risk management strategy establishes specific hedging targets, which may differ depending on current market conditions, to guide natural gas risk management activities. Additionally, the Corporation uses mark-to-market value, value at risk (VaR), and net exposure to monitor natural gas price risk.

Based on the Corporation's year-end closing positions, a \$1 per GJ increase in natural gas prices would have increased net earnings, through an increase in the fair value of natural gas derivative instruments, by \$16.0 million (2025 - \$24.0 million). Conversely, a \$1 per GJ decrease would have decreased net earnings by \$16.0 million (2025 - \$24.0 million).

### Equity price risk

The Corporation is exposed to changes in equity prices in Canadian and global markets. The fair value of these equities at March 31, 2026 was \$248.0 million (2025 - \$319.1 million). Individual stock holdings are diversified by geography, industry type, and corporate entity. No one investee or related group of investees represents greater than 10.0 per cent of the market value of the Corporation's common share portfolio. As well, no one holding represents more than 10.0 per cent of the voting shares of any corporation.

The Corporation's equity price risk is assessed using VaR to measure the potential change in the value of an asset class. The VaR has been calculated based on volatility over a four-year period, using a 95.0 per cent confidence level. As such, it is expected that the annual change in the portfolio market value will fall within the range outlined in the following table 95.0 per cent of the time (19 times out of 20).

	<b>2026</b>		<b>2025</b>	
<b>Asset Class</b>				
(thousands of dollars)				
Canadian equities	+/-	\$ -	+/-	\$ 19,656
Global equities	+/-	<b>49,380</b>	+/-	47,357
Global small cap equities	+/-	<b>12,169</b>	+/-	9,862

## **9. Financial and insurance risk management** *(continued)*

### **Interest rate risk**

The Corporation is exposed to interest rate risk arising from fluctuations in interest rates on short-term and long-term debt. Interest rate risk is managed by having an appropriate mix of fixed and floating rate debt. When deemed appropriate, the Corporation may use derivative financial instruments to manage interest rate risk. A change in floating rate interest rates of 100 basis points would not have a material impact on the Corporation's net earnings.

The Corporation has on deposit with the GRF, under the administration of the Saskatchewan Ministry of Finance, \$1,343.6 million (2025 - \$1,314.3 million) in sinking funds required for certain long-term debt issues. At March 31, 2026, the Ministry of Finance has invested these funds primarily in Provincial and Federal government bonds with varying maturities to coincide with related debt maturities and are managed based on this maturity profile and market conditions. The Corporation is exposed to interest rate risk on the sinking funds. Assuming all other variables remain constant at March 31, 2026, a 100 basis point change in interest rates would have a \$122.4 million impact on the fair value of the sinking funds (2025 - \$113.9 million).

The Corporation is exposed to changes in interest rates in its fixed income investments, including short-term investments, bonds, debentures, and pooled mortgage investments. It is estimated that a change in interest rates of 100 basis points would result in \$41.0 million impact on net earnings (2025 - \$31.3 million).

The impact that a change in interest rates has on investment income would be partially offset by the impact that a change in interest rates has on discounting of insurance liabilities. It is estimated that a 100 basis point change in discounting interest rates would not have a material impact on the Corporation's net earnings.

### **d) Credit risk**

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk relates to groups of customers or counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Corporation does not have material concentrations of credit risk given that the majority of accounts receivable are diversified among many residential, farm and commercial customers primarily throughout Saskatchewan.

In addition, the Corporation maintains credit policies and limits to mitigate credit risk related to short-term investments, bonds, debentures, loans, notes receivable, leases receivable and counterparties to derivative instruments.

**Crown Investments Corporation of Saskatchewan**  
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**9. Financial and insurance risk management** *(continued)*

The carrying amount of financial assets represents the maximum credit exposure as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
Cash and cash equivalents	\$ 239,168	\$ 204,266
Short-term investments	187,841	243,910
Accounts receivable	1,133,803	953,904
Derivative financial assets	4,224	12,614
Investments - FVTPL	1,696,510	1,593,115
Investments - FVOCI	1,341,898	1,261,497
Investments - AC	35,488	75,098
	<b>\$ 4,638,932</b>	<b>\$ 4,344,404</b>

The allowance for credit loss, which provides an indication of potential impairment losses, is reviewed quarterly based on an analysis of the aging of accounts receivable and an estimate of outstanding amounts that are considered to be uncollectible. Historically, the Corporation has not written off a significant portion of its accounts receivable balances.

The allowance for credit loss and the aging of accounts receivable are detailed as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
<b>Credit loss allowance</b>		
Opening balance	\$ 35,921	\$ 38,322
Accounts written off and other	(15,788)	(14,873)
Recoveries	777	2,156
Provision for losses	10,214	10,316
<b>Ending balance</b>	<b>\$ 31,124</b>	<b>\$ 35,921</b>

	<b>2026</b>	<b>2025</b>
<b>Accounts receivable</b>		
Current	\$ 1,067,970	\$ 900,230
30-59 Days	32,515	28,572
60-89 Days	16,214	9,304
Greater than 90 Days	48,228	51,719
Gross accounts receivable	1,164,927	989,825
Credit loss allowance	(31,124)	(35,921)
	<b>\$ 1,133,803</b>	<b>\$ 953,904</b>

**Crown Investments Corporation of Saskatchewan**  
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**9. Financial and insurance risk management** *(continued)*

**e) Liquidity risk**

Liquidity risk is the risk that the Corporation is unable to meet its financial commitments as they become due. CIC is a provincial Crown corporation and as such has access to capital markets through the GRF. The Corporation, through its diversified holdings and capital allocation and dividend policies, can allocate resources to ensure that all financial commitments made are met.

Where necessary, the Corporation can borrow funds from the GRF, adjust dividend rates, obtain or make grants, or be provided with or provide equity injections to manage liquidity issues.

The following summarizes the contractual maturities of the Corporation's financial liabilities at March 31, 2026 (thousands of dollars):

	Carrying Amount	Total	0-6 Months	7-12 Months	1-2 Years	3-5 Years	More than 5 Years
Long-term debt <sup>1</sup>	\$ 13,630,115	\$ 23,539,393	\$ 162,955	\$ 283,014	\$ 881,186	\$ 2,029,874	\$20,182,364
Trade and other payables	1,305,538	1,305,538	1,304,443	-	-	-	1,095
Derivative financial liabilities <sup>2</sup>	48,428	89,214	52,898	20,280	15,929	107	-
Other liabilities <sup>3</sup>	2,368,615	2,375,847	1,627,284	177,032	171,584	230,732	169,215
	<b>\$ 17,352,696</b>	<b>\$ 27,309,992</b>	<b>\$ 3,147,580</b>	<b>\$ 480,326</b>	<b>\$1,068,699</b>	<b>\$ 2,260,713</b>	<b>\$20,352,674</b>

The following summarizes the contractual maturities of the Corporation's financial liabilities at March 31, 2025 (thousands of dollars):

	Carrying Amount	Total	0-6 Months	7-12 Months	1-2 Years	3-5 Years	More than 5 Years
Long-term debt <sup>1</sup>	\$ 12,182,981	\$ 20,896,274	\$ 428,593	\$ 279,483	\$ 474,834	\$ 2,018,882	\$17,694,482
Trade and other payables	1,251,014	1,251,014	1,249,919	-	-	-	1,095
Derivative financial liabilities <sup>2</sup>	24,930	82,471	40,145	17,033	16,339	8,954	-
Other liabilities <sup>3</sup>	2,266,876	2,270,624	1,544,146	177,891	179,706	204,370	164,511
	<b>\$ 15,725,801</b>	<b>\$ 24,500,383</b>	<b>\$ 3,262,803</b>	<b>\$ 474,407</b>	<b>\$ 670,879</b>	<b>\$ 2,232,206</b>	<b>\$17,860,088</b>

<sup>1</sup> Contractual cash flows for long-term debt include principal and interest payments, but exclude sinking fund installments.

<sup>2</sup> The terms and conditions of certain derivative financial instrument contracts require the Corporation to provide collateral when the fair value of the obligation pursuant to these contracts is in excess of credit limits granted. As at March 31, 2026 and March 31, 2025, the Corporation has provided no collateral for these contracts.

<sup>3</sup> Other liabilities include: bank indebtedness, notes payable, and liability for incurred claims.

## 9. Financial and insurance risk management *(continued)*

### Insurance risk management

Insurance risk arises with respect to the adequacy of the Corporation's insurance premium rates and provision for unpaid claims (consisting of underwriting and actuarial risks).

#### f) Underwriting risk

The Corporation manages its insurance risk through its underwriting and reinsurance strategies within an overall strategic planning process. Pricing is based on assumptions about past experiences and trends. Exposures are managed by having documented underwriting limits and criteria, product and geographic diversification and reinsurance.

#### i) Diversification

The Corporation's exposure to concentration risk related to summer storms and other related events is mitigated by selection and implementation of underwriting strategies and diversification across product lines. The concentration of insurance risk by portfolio is summarized below by reference to the liability for insured claims and asset for reinsured claims. It does not include the asset and liability for remaining coverage (thousands of dollars):

	Insurance Liabilities		Reinsurance Assets		Net	
	2026	2025	2026	2025	2026	2025
Farm	\$ 68,800	\$ 66,136	\$ 2,653	\$ 2,948	\$ 66,147	\$ 63,188
Personal auto	387,375	372,684	24,675	25,886	362,700	346,798
Commercial auto	86,864	64,957	14,519	5,608	72,345	59,349
Personal property and liability	241,303	220,521	24,910	32,975	216,393	187,546
Commercial property and liability	213,969	225,231	17,582	34,004	196,387	191,227
Managed general agent agreements	24,563	25,777	-	-	24,563	25,777
Portfolio totals	1,022,874	975,306	84,339	101,421	938,535	873,885
Other reconciliation items:						
Risk adjustment	82,130	77,244	5,378	6,324	76,752	70,920
Discounting	(86,602)	(78,435)	(4,938)	(4,390)	(81,664)	(74,045)
Residual claims	1,131	1,134	-	-	1,131	1,134
Risk sharing pool	27,178	22,410	-	-	27,178	22,410
<b>Total</b>	<b>\$ 1,046,711</b>	<b>\$ 997,659</b>	<b>\$ 84,779</b>	<b>\$ 103,355</b>	<b>\$ 961,932</b>	<b>\$ 894,304</b>

**9. Financial and insurance risk management** *(continued)*

**ii) Reinsurance**

The Corporation seeks to reduce losses that may arise from catastrophes or other events that cause unfavourable underwriting results by reinsuring certain levels of risk with other insurers. While the Corporation utilizes reinsurance, it is still exposed to reinsurance risk. Reinsurance risk is the risk of financial loss due to inadequacies in reinsurance coverage or the default of a reinsurer. The Corporation evaluates and monitors the financial condition of its reinsurers to minimize its exposure to significant losses from reinsurer insolvency. The policy of underwriting and reinsuring insurance contracts limits the liability of the Corporation to a maximum amount for any one loss as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
Property	\$ <b>2,000</b>	\$ 2,000
Automobile, liability and injury	<b>1,750</b>	1,750

In addition, the Corporation carries property and auto physical damage catastrophe reinsurance limiting combined exposure to \$30.0 million per event subject to an annual aggregate deductible of \$30.0 million.

**g) Actuarial risk**

The establishment of net liability for incurred claims is based on known facts and an interpretation of circumstances and is therefore a complex process influenced by a variety of factors. Measurement is uncertain due to claims that are not reported to the Corporation at year-end and therefore estimates are made as to the value of these claims. As well, uncertainty exists regarding the cost of reported claims that have not been settled, as all the necessary information may not be available at year-end.

The significant assumptions used to estimate the liability for incurred claims include: the Corporation's experience with similar cases, historical claim payment trends and claim development patterns, the characteristics of each class of business, claim severity and frequency, the effect of inflation on future claim settlement costs, court decisions and economic conditions. Time is also a critical factor in determining the liability, since the longer it takes to settle and pay a claim, the more variable the ultimate settlement amount will be. Accordingly, short-term claims such as physical damage or collision claims tend to be more reasonably predictable than long-term claims such as liability claims.

As a result, the establishment of the net liability for incurred claims relies on several factors, which necessarily involves risk that the actual results may differ materially from the estimates.

**Crown Investments Corporation of Saskatchewan**  
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**9. Financial and insurance risk management** *(continued)*

The following summarizes the Corporation's sensitivity to changes in best estimate assumptions on the liability for incurred claims and net earnings. It is not possible to quantify the sensitivity to certain assumptions such as legislative changes or uncertainty in the estimation process. The analysis is performed for possible movements in the assumptions with all other assumptions held constant, showing the impact on net earnings. Movements in these assumptions may be non-linear and may be correlated with one another (thousands of dollars):

Assumption	Sensitivity	2026			2025		
		Direct	Ceded	Net	Direct	Ceded	Net
Discount rate	1.0 per cent increase	\$ 20,280	\$ (1,240)	\$ 19,040	\$ 19,802	\$ (1,224)	\$ 18,578
Discount rate	1.0 per cent decrease	(21,643)	1,309	(20,334)	(21,218)	1,289	(19,929)
Reserves	5.0 per cent increase/decrease	52,336	(4,375)	47,961	49,883	(5,214)	44,669

**10. Inventories**

(thousands of dollars)

	2026	2025
Raw materials	\$ 430,317	\$ 412,801
Natural gas in storage held-for-resale	13,431	9,743
Finished goods	35,273	42,523
Work-in-progress	505	1,789
	<b>\$ 479,526</b>	<b>\$ 466,856</b>

For the year ended March 31, 2026, \$370.6 million (2025 - \$360.8 million) of natural gas in storage held-for-resale, and \$696.0 million (2025 - \$626.4 million) of raw materials inventory and other inventory were consumed. The Corporation recognized a \$6.1 million write-down of natural gas in storage held-for-resale, raw materials and other inventory (2025 - \$3.1 million write-down).

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**11. Contract assets and costs**

(thousands of dollars)

	<b>Contract assets</b>	<b>Contract costs</b>	<b>Total</b>
<b>Balance at April 1, 2025</b>	<b>\$ 102,525</b>	<b>\$ 65,478</b>	<b>\$ 168,003</b>
Recognized in the current year	100,266	20,986	121,252
Amortization	(95,563)	(22,192)	(117,755)
Terminations	(6,091)	(784)	(6,875)
Sale of accounts	-	(24,695)	(24,695)
Change in impairment allowance	6	-	6
<b>Balance at March 31, 2026</b>	<b>101,143</b>	<b>38,793</b>	<b>139,936</b>
<b>Current</b>	<b>(73,643)</b>	<b>(14,055)</b>	<b>(87,698)</b>
<b>Non-current</b>	<b>\$ 27,500</b>	<b>\$ 24,738</b>	<b>\$ 52,238</b>

	<b>Contract assets</b>	<b>Contract costs</b>	<b>Total</b>
Balance at April 1, 2024	\$ 104,865	\$ 70,180	\$ 175,045
Recognized in the current year	99,362	21,025	120,387
Amortization	(95,558)	(24,992)	(120,550)
Terminations	(6,065)	(735)	(6,800)
Impairment allowance	(79)	-	(79)
Balance at March 31, 2025	102,525	65,478	168,003
Current	(74,670)	(21,734)	(96,404)
Non-current	\$ 27,855	\$ 43,744	\$ 71,599

**Crown Investments Corporation of Saskatchewan**  
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## 12. Investments in equity accounted investees

(thousands of dollars)

### Associates

	Principal Place of Business	Reporting Date	Ownership Interest		Carrying Value	
			2026	2025	2026	2025
ISC (a)	Canada	December 31	29.0%	29.3%	\$ 128,433	\$ 124,634
WCLC (b)	Canada	March 31	N/A	N/A	17,954	15,854
					<b>\$ 146,387</b>	<b>\$ 140,488</b>
					<b>2026</b>	<b>2025</b>
Current assets					\$ 171,240	\$ 136,861
Non-current assets					746,754	754,730
Current liabilities					(223,017)	(174,167)
Non-current liabilities					(234,985)	(276,933)
<b>Net assets</b>					<b>459,992</b>	<b>440,491</b>
Interest owned by other entities					(313,605)	(300,003)
<b>Share of net assets</b>					<b>\$ 146,387</b>	<b>\$ 140,488</b>
					<b>2026</b>	<b>2025</b>
Revenue					\$ 1,988,905	\$ 2,034,701
Expenses					(1,956,000)	(2,003,724)
<b>Net earnings</b>					<b>32,905</b>	<b>30,977</b>
Other comprehensive income					600	1,058
Total comprehensive income					<b>33,505</b>	<b>32,035</b>
Interest owned by other entities					(22,615)	(21,307)
<b>Share of results</b>					<b>\$ 10,890</b>	<b>\$ 10,728</b>

- a) The Corporation is associated with Information Services Corporation (ISC), which provides registry and information services in Saskatchewan. The fair value of ISC shares was \$246.0 million at March 31, 2026 (2025 - \$134.2 million). The shares are publicly traded on the Toronto Stock Exchange under the symbol ISC. Subsequent to period end, ISC announced it had entered into an agreement with Plenary Americas LP (Plenary) whereby Plenary will acquire 100.0 per cent of the Class A Limited Voting Shares of ISC, including those held by CIC. CIC is expected to receive approximately \$277.0 million in proceeds prior to any fees and closing costs. The sale is expected to occur in the 2026-27 fiscal year.
- b) The Corporation is associated with Western Canada Lottery Corporation (WCLC). WCLC operates VLTs located throughout the province for LGS.

**Crown Investments Corporation of Saskatchewan**  
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**13. Property, plant and equipment**

(thousands of dollars)

	<b>Machinery and Equipment</b>	<b>Buildings and Improvements</b>	<b>Plant Under Construction</b>	<b>Land, Coal Properties and Rights</b>	<b>Total</b>
<b>Cost</b>					
Balance at April 1, 2024	\$ 24,929,374	\$ 3,080,748	\$ 1,870,050	\$ 367,249	\$ 30,247,421
Additions	1,715,594	526,182	2,025,527	8,884	4,276,187
Disposals	(581,192)	(7,350)	(771)	(40)	(589,353)
Transfers (a)	(242,247)	3,004	(1,598,446)	-	(1,837,689)
<b>Balance at March 31, 2025</b>	<b>\$ 25,821,529</b>	<b>\$ 3,602,584</b>	<b>\$ 2,296,360</b>	<b>\$ 376,093</b>	<b>\$ 32,096,566</b>
Additions	1,857,344	290,404	2,417,225	9,281	4,574,254
Disposals	(392,637)	(13,507)	(403)	(56)	(406,603)
Transfers (a)	(383,017)	64,152	(1,833,354)	-	(2,152,219)
<b>Balance at March 31, 2026</b>	<b>\$ 26,903,219</b>	<b>\$ 3,943,633</b>	<b>\$ 2,879,828</b>	<b>\$ 385,318</b>	<b>\$ 34,111,998</b>
<b>Accumulated Depreciation</b>					
Balance at April 1, 2024	\$ 11,824,170	\$ 1,185,184	\$ -	\$ 52,366	\$ 13,061,720
Depreciation expense	838,942	95,252	-	3,903	938,097
Disposals	(549,431)	(8,433)	-	(39)	(557,903)
Transfers (a)	(658)	-	-	-	(658)
Impairment losses	4,522	250	-	-	4,772
<b>Balance at March 31, 2025</b>	<b>\$ 12,117,545</b>	<b>\$ 1,272,253</b>	<b>\$ -</b>	<b>\$ 56,230</b>	<b>\$ 13,446,028</b>
Depreciation expense	891,298	112,529	-	3,993	1,007,820
Disposals	(361,693)	(5,491)	-	(43)	(367,227)
Transfers (a)	(1,285)	-	-	-	(1,285)
Impairment losses	641	65	-	-	706
<b>Balance at March 31, 2026</b>	<b>\$ 12,646,506</b>	<b>\$ 1,379,356</b>	<b>\$ -</b>	<b>\$ 60,180</b>	<b>\$ 14,086,042</b>
<b>Carrying Amounts</b>					
At March 31, 2025	\$ 13,703,984	\$ 2,330,331	\$ 2,296,360	\$ 319,863	\$ 18,650,538
<b>At March 31, 2026</b>	<b>\$ 14,256,713</b>	<b>\$ 2,564,277</b>	<b>\$ 2,879,828</b>	<b>\$ 325,138</b>	<b>\$ 20,025,956</b>

a) Transfers to/from right-of-use-assets, intangibles, and/or within categories of property, plant and equipment.

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**14. Right-of-use assets**

(thousands of dollars)

	<b>Machinery and Equipment</b>	<b>Buildings and Improvements</b>	<b>Land, Coal, Properties and Rights</b>	<b>Power Purchase Agreements</b>	<b>Total</b>
<b>Cost</b>					
Balance at April 1, 2024	\$ 50,355	\$ 72,895	\$ 21,915	\$ 1,017,108	\$ 1,162,273
Additions	14,973	2,493	2,801	186,953	207,220
Transfers (a)	(2,348)	(5,924)	5,924	-	(2,348)
Retirements and adjustments	(2,843)	(5,356)	(52)	-	(8,251)
<b>Balance at March 31, 2025</b>	<b>\$ 60,137</b>	<b>\$ 64,108</b>	<b>\$ 30,588</b>	<b>\$ 1,204,061</b>	<b>\$ 1,358,894</b>
Additions	23,243	4,532	7,782	-	35,557
Transfers (a)	(2,104)	-	-	-	(2,104)
Retirements and adjustments	(7,102)	(2,586)	(26)	-	(9,714)
<b>Balance at March 31, 2026</b>	<b>\$ 74,174</b>	<b>\$ 66,054</b>	<b>\$ 38,344</b>	<b>\$ 1,204,061</b>	<b>\$ 1,382,633</b>
<b>Accumulated Depreciation</b>					
Balance at April 1, 2024	\$ 23,899	\$ 29,622	\$ 6,854	\$ 611,112	\$ 671,487
Depreciation expense	9,154	7,499	1,903	48,766	67,322
Transfers (a)	(1,693)	-	-	-	(1,693)
Retirements and adjustments	(2,596)	(7,143)	(54)	-	(9,793)
<b>Balance at March 31, 2025</b>	<b>\$ 28,764</b>	<b>\$ 29,978</b>	<b>\$ 8,703</b>	<b>\$ 659,878</b>	<b>\$ 727,323</b>
Depreciation expense	8,891	7,027	2,521	49,095	67,534
Transfers (a)	(1,494)	-	-	-	(1,494)
Retirements and adjustments	(6,874)	(1,996)	(26)	-	(8,896)
<b>Balance at March 31, 2026</b>	<b>\$ 29,287</b>	<b>\$ 35,009</b>	<b>\$ 11,198</b>	<b>\$ 708,973</b>	<b>\$ 784,467</b>
<b>Carrying Amounts</b>					
At March 31, 2025	\$ 31,373	\$ 34,130	\$ 21,885	\$ 544,183	\$ 631,571
<b>At March 31, 2026</b>	<b>\$ 44,887</b>	<b>\$ 31,045</b>	<b>\$ 27,146</b>	<b>\$ 495,088</b>	<b>\$ 598,166</b>

a) Transfers to/from property, plant, and equipment, intangibles, and/or within categories of right-of-use assets.

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**15. Intangible assets**

(thousands of dollars)

	Development Costs and Software (a)	Indefinite Life (a)	Total
<b>Cost</b>			
Balance at April 1, 2024	\$ 731,695	\$ 274,374	\$ 1,006,069
Acquisitions - internally developed	3,550	-	3,550
Acquisitions - other	50,485	12,875	63,360
Disposals	(114,243)	-	(114,243)
Transfers (b)	(6,340)	-	(6,340)
<b>Balance at March 31, 2025</b>	<b>\$ 665,147</b>	<b>\$ 287,249</b>	<b>\$ 952,396</b>
Acquisitions - internally developed	5,777	-	5,777
Acquisitions - other	104,543	420	104,963
Disposals	(145,058)	-	(145,058)
Transfers (b)	(18,142)	-	(18,142)
<b>Balance at March 31, 2026</b>	<b>\$ 612,267</b>	<b>\$ 287,669</b>	<b>\$ 899,936</b>
<b>Accumulated Amortization</b>			
Balance at April 1, 2024	\$ 487,319	\$ -	\$ 487,319
Amortization expense	66,891	-	66,891
Disposals	(111,174)	-	(111,174)
<b>Balance at March 31, 2025</b>	<b>\$ 443,036</b>	<b>\$ -</b>	<b>\$ 443,036</b>
Amortization expense	64,693	-	64,693
Disposals	(142,964)	-	(142,964)
<b>Balance at March 31, 2026</b>	<b>\$ 364,765</b>	<b>\$ -</b>	<b>\$ 364,765</b>
<b>Carrying Amounts</b>			
At March 31, 2025	\$ 222,111	\$ 287,249	\$ 509,360
<b>At March 31, 2026</b>	<b>\$ 247,502</b>	<b>\$ 287,669</b>	<b>\$ 535,171</b>

a) Impairment testing for the cash-generating unit (CGU) containing indefinite-life intangible assets (spectrum licences) and recoverability testing of finite-life intangible assets under development: In performing its impairment test, the Corporation determined the recoverable amount of its single CGU using fair value less costs to sell. In assessing fair value less costs to sell, a market EV/EBITDA multiple was calculated based on existing share prices of comparable companies adjusted for a control premium that would be expected under reasonable circumstances. The resulting EV/EBITDA multiple was applied to forecasted EBITDA to determine enterprise value. The recoverable amount exceeded the CGU carrying amount indicating no impairment to recognize. The Corporation does not believe that any reasonable possible change in assumptions used in impairment testing would result in impairment.

b) Transfers to/from property, plant, and equipment, right-of-use-assets, and/or within categories of intangibles.

**Crown Investments Corporation of Saskatchewan**  
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## 16. Notes payable

Notes payable are due to the GRF. These notes are due on demand and have an effective interest rate of 2.3 per cent (2025 - 2.8 per cent).

## 17. Provisions

(thousands of dollars)

	Decommissioning Provisions (a)	Environmental Remediation (b)	Total
<b>Balance at April 1, 2025</b>	<b>\$ 745,543</b>	<b>\$ 144,846</b>	<b>\$ 890,389</b>
(Recovery of) provision for decommissioning and environmental remediation liabilities	(5,092)	2,295	(2,797)
Other (recoveries) provisions made	(10,040)	75	(9,965)
Provisions used	(11,572)	(5,268)	(16,840)
Provisions reversed	(6,099)	-	(6,099)
Accretion expense	31,176	44	31,220
<b>Balance at March 31, 2026</b>	<b>743,916</b>	<b>141,992</b>	<b>885,908</b>
<b>Current</b>	<b>(7,090)</b>	<b>-</b>	<b>(7,090)</b>
<b>Non-current</b>	<b>\$ 736,826</b>	<b>\$ 141,992</b>	<b>\$ 878,818</b>

	Decommissioning Provisions (a)	Environmental Remediation (b)	Total
Balance at April 1, 2024	\$ 424,528	\$ 120,908	\$ 545,436
Provision for decommissioning and environmental remediation liabilities	3,453	24,416	27,869
Other provisions made	320,620	103	320,723
Provisions used	(23,461)	(635)	(24,096)
Provisions reversed	(633)	-	(633)
Accretion expense	21,036	54	21,090
Balance at March 31, 2025	745,543	144,846	890,389
Current	(8,769)	-	(8,769)
Non-current	\$ 736,774	\$ 144,846	\$ 881,620

### a) Decommissioning provisions

The Corporation has estimated the future cost of decommissioning certain electrical and natural gas facilities. For the purposes of estimating the fair value of these obligations, it is assumed that these costs will be incurred between 2027 and 2114 for natural gas distribution, transportation, and storage facilities and 2027 and 2054 for electrical facilities.

**Crown Investments Corporation of Saskatchewan**  
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**17. Provisions** *(continued)*

The undiscounted cash flows required to settle the obligations total \$2,165.5 million (2025 - \$2,076.1 million). Risk-free rates between nil per cent and 5.0 per cent were used to calculate the discounted carrying value of the obligation. During the year, the Corporation recorded a \$15.1 million decrease in the provision (2025 - \$324.1 million increase).

The following summarizes the Corporation's sensitivity to changes in best estimate assumptions on the March 31, 2026 decommissioning provision (thousands of dollars):

	<b>Undiscounted</b>	<b>Discounted</b>	<b>Discount rate</b>		<b>Inflation rate</b>	
	<b>cash flows</b>	<b>cash flows</b>	<b>+ 0.5%</b>	<b>- 0.5%</b>	<b>+ 0.5%</b>	<b>- 0.5%</b>
Decommissioning	<b>\$2,165,502</b>	<b>\$ 743,916</b>	<b>\$ (64,292)</b>	<b>\$ 73,036</b>	<b>\$ 76,765</b>	<b>\$ (75,186)</b>

**b) Environmental remediation**

The following are included in the provision for environmental remediation:

- i) The Corporation has accrued \$57.6 million (2025 - \$55.0 million) to carry out clean-up activities and associated costs related to an indemnity for environmental liabilities predating 1986 at the Prince Albert pulp mill site and the ERCO Worldwide chemical plant in Saskatoon.
- ii) The Corporation has accrued \$84.1 million (2025 - \$89.8 million) related to estimated environmental remediation for its electrical generation assets and other properties.

**18. Lease liabilities**

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
Contractual undiscounted cash flows	<b>\$ 1,849,980</b>	\$ 1,999,767
Less: future finance charges on leases	<b>(812,617)</b>	(935,860)
Discounted lease liabilities	<b>1,037,363</b>	1,063,907
Current portion of discounted lease liabilities	<b>(72,030)</b>	(59,198)
	<b>\$ 965,333</b>	\$ 1,004,709

During the year ended March 31, 2026, the Corporation recognized \$135.1 million (2025 - \$134.3 million) of interest costs in net earnings related to these lease liabilities.

As at March 31, 2026, scheduled contractual undiscounted cash flows and discounted lease liabilities are as follows:

	<b>More than</b>		
	<b>1 year</b>	<b>1-5 years</b>	<b>5 years</b>
Contractual undiscounted cash flows	<b>\$ 200,796</b>	<b>\$ 790,767</b>	<b>\$ 858,417</b>
Discounted lease liabilities	<b>72,030</b>	<b>386,149</b>	<b>579,184</b>

**Crown Investments Corporation of Saskatchewan**  
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**19. Long-term debt**

(thousands of dollars)

	2026		2025	
	Principal Outstanding	Effective Interest Rate	Principal Outstanding	Effective Interest Rate
<b>General Revenue Fund (years to maturity)</b>				
1-5 years	\$ 870,559	3.2%	\$ 1,033,259	4.2%
6-10 years	2,534,807	4.7%	1,744,000	4.7%
11-15 years	1,284,864	4.5%	749,353	4.8%
16-20 years	2,050,000	3.6%	1,490,318	4.0%
21-25 years	2,350,000	3.1%	2,875,000	3.4%
26-30 years	2,925,000	3.6%	3,700,000	3.7%
Beyond 30 years	1,725,000	3.7%	675,000	3.1%
<b>Total due to the GRF</b>	<b>13,740,230</b>	<b>3.8%</b>	<b>12,266,930</b>	<b>3.9%</b>
<b>Other long-term debt (1-20 years)</b>	<b>23,210</b>	<b>4.6%</b>	<b>26,023</b>	<b>5.0%</b>
Unamortized debt premium net of issue costs	(133,325)		(109,972)	
	<b>13,630,115</b>		<b>12,182,981</b>	
Due within one year	(19,619)		(329,760)	
	<b>\$ 13,610,496</b>		<b>\$ 11,853,221</b>	

Principal repayments due in each of the next five years are as follows:

2027	\$ 19,619
2028	358,060
2029	358,060
2030	3,060
2031	167,060

There is a requirement attached to certain interest-bearing issues from the GRF to make annual payments into sinking funds in amounts representing a minimum of 1.0 per cent of the original issue. The cumulative annual payments plus interest earned are used for the retirement of debt issues, upon maturity, with the GRF.

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
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**20. Contract liabilities**

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
Contract liabilities, beginning of year	\$ 266,674	\$ 257,861
Contract liabilities recognized in the current year	<b>185,364</b>	453,838
Recognized in revenue	<b>(175,819)</b>	(444,125)
Other	<b>(1,782)</b>	(900)
<b>Contract liabilities, end of year</b>	<b>274,437</b>	266,674
<b>Current</b>	<b>(126,771)</b>	(112,939)
<b>Non-current</b>	<b>\$ 147,666</b>	<b>\$ 153,735</b>

**21. Employee future benefits**

**Defined benefit pension plans**

The Corporation has three defined benefit pension plans, for certain of its employees, that have been closed to new membership. Annual audited financial statements for each plan are prepared and released publicly.

The actuarial valuations include a provision for uncommitted and ad hoc benefit increases; and are measured using management's best estimates based on assumptions that reflect the most probable set of economic circumstances and planned courses of action. There is a risk that the actual amount may differ materially from the estimate. The major assumptions used in the valuation of the defined benefit pension plans are as follows:

	<b>2026</b>	<b>2025</b>
<b>Discount rate - end of year</b>	<b>4.8-4.9%</b>	4.4-4.5%
<b>Inflation rate</b>	<b>2.0-2.3%</b>	2.0-2.3%
<b>Duration (years)</b>	<b>8-9</b>	8-9
<b>Post-retirement index</b>	<b>1.6% and 70.0% of CPI</b>	0.0-1.6% and 70.0% of CPI
<b>Last actuarial valuation</b>	<b>3/31/2023-11/1/2025</b>	9/30/2022-3/31/2023

Mortality rates were applied utilizing the Canadian Pensioner 2014 Private Sector Mortality Table with 95.0 - 100.0 per cent scaling factor for males, 110.0 per cent scaling factor for females and projected generationally with Improvement Scale B and MI-2017.

The actuarial assumptions are based on management's expectations, independent actuarial advice and guidance provided by IFRS. The most significant assumption for each plan is the discount rate, which is the yield at the reporting date of high-quality debt instruments that have maturity dates approximating the terms of the plan obligations.

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
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**21. Employee future benefits** *(continued)*

**Sensitivity analysis on defined benefit pension plan assumptions**

The following illustrates the impact on the March 31, 2026 defined benefit pension obligation from a change in an actuarial assumption (thousands of dollars):

	2026		2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1.0 per cent)	\$ (108,470)	\$ 126,485	\$ (117,052)	\$ 136,826
Inflation rate (1.0 per cent)	(57,235)	13,865	(64,869)	18,281
Post-retirement index (1.0 per cent)	81,072	(115,042)	85,944	(122,497)

Information about the Corporation's defined benefit pension plans is as follows (thousands of dollars):

	2026	2025
<b>Defined benefit pension plan obligation, beginning of year</b>	<b>\$ 1,396,455</b>	<b>\$ 1,413,663</b>
Included in net earnings:		
Current service cost	733	464
Interest cost	60,821	65,014
	61,554	65,478
Included in OCI:		
Actuarial (gains) losses arising from financial assumptions	(11,307)	38,223
Benefits paid	(118,647)	(120,909)
Transfer to annuity provider	(16,269)	-
<b>Defined benefit pension plan obligation, end of year</b>	<b>\$ 1,311,786</b>	<b>\$ 1,396,455</b>
<b>Fair value of defined benefit pension plan assets, beginning of year</b>	<b>\$ 1,379,300</b>	<b>\$ 1,394,777</b>
Included in net earnings:		
Interest income	64,953	69,347
Included in OCI:		
(Loss) return on plan assets excluding interest income	(4,890)	36,401
Asset ceiling adjustment	7,339	(316)
	2,449	36,085
Benefits paid	(118,647)	(120,909)
Transfer to annuity provider	(16,269)	-
<b>Fair value of defined benefit pension plan assets, end of year</b>	<b>\$ 1,311,786</b>	<b>\$ 1,379,300</b>
<b>Funded status - plan deficit and net defined benefit pension obligation</b>	<b>\$ -</b>	<b>\$ 17,155</b>

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
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**21. Employee future benefits** *(continued)*

The asset allocation of the defined benefit pension plans are as follows:

	<b>2026</b>	<b>2025</b>
<b>Asset category</b>		
Short-term investments	<b>0.5%</b>	0.6%
Bonds and debentures	<b>61.0%</b>	60.6%
Equity securities - Canadian	<b>1.5%</b>	1.6%
Equity securities - US	<b>12.6%</b>	12.6%
Equity securities - Non-North American	<b>6.7%</b>	6.5%
Real estate	<b>17.7%</b>	18.2%

**Other defined benefit plans**

Other benefit plans include a defined benefit and a defined contribution severance plan, a supplementary superannuation plan, two defined benefit service recognition plans, a defined benefit retiring allowance plan and a voluntary early retirement plan. All other defined benefit plans are unfunded.

Information about the Corporation's other defined benefit plans is as follows (thousands of dollars):

	<b>2026</b>	<b>2025</b>
<b>Other defined benefit pension plan obligation, beginning of year</b>	<b>\$ 65,025</b>	\$ 63,956
Included in net earnings:		
Current service cost	<b>4,260</b>	4,228
Interest cost	<b>4,813</b>	5,870
	<b>9,073</b>	10,098
Included in OCI:		
Actuarial (gain) loss arising from:		
Financial assumptions	<b>(28)</b>	70
Demographic assumption adjustments	<b>(89)</b>	223
Experience adjustments	<b>(22)</b>	771
	<b>(139)</b>	1,064
Benefits paid	<b>(9,605)</b>	(10,093)
<b>Other defined benefit plan obligation, end of year</b>	<b>\$ 64,354</b>	\$ 65,025

## 21. Employee future benefits *(continued)*

The significant actuarial assumptions used in the valuation of other defined benefit plans are as follows:

	<b>2026</b>	<b>2025</b>
Discount rate	<b>3.8-4.8%</b>	3.7-4.8%
Inflation rate	<b>2.0-3.0%</b>	2.0-3.0%
Long-term rate of compensation increases	<b>2.0-3.0%</b>	2.0-3.0%
Remaining service life (years)	<b>3-11</b>	3-11
Last actuarial valuation	<b>3/31/2023-12/31/2025</b>	9/30/2022-3/31/2025

The actuarial assumptions are based on management's expectations, independent actuarial advice and guidance provided by IFRS. The most significant assumption for each plan is the discount rate, which is the yield at the reporting date of high-quality debt instruments that have maturity dates approximating the terms of the plan obligations.

A 1.0 per cent change in the actuarial assumptions would not have a material effect on the March 31, 2026 other defined benefit obligation.

### Employee future benefit liability

The employee future benefit liability on the Consolidated Statement of Financial Position represents the funded status of the Corporation's defined benefit pension plans and other defined benefit plans. On a combined basis, at March 31, 2026, these liabilities totaled \$64.4 million (2025 - \$82.2 million).

### Defined contribution pension plans

The Corporation also has employees who are members of defined contribution pension plans. The Corporation's financial obligation is limited to contractual contributions to the plan. On a combined basis, the Corporation paid \$83.0 million (2025 - \$79.9 million) into these plans.

### Employee future benefits expense

Employee future benefits expense includes contributions to the defined contribution pension plans and current service costs for the defined benefit pension plans and other defined benefit plans. On a combined basis, employee future benefits expense totaled \$88.0 million (2025 - \$84.6 million).

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
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## 22. Equity advances and capital disclosures

The Corporation does not have share capital. However, the Corporation has received advances from the GRF to form its equity capitalization. The advances are an equity investment in the Corporation by the GRF.

Due to its ownership structure, the Corporation has no access to capital markets for equity. Equity advances in the Corporation are determined by the shareholder on an annual basis. Dividends and equity repayments to the GRF are determined through the Saskatchewan provincial budget process on an annual basis.

The Corporation closely monitors its debt level utilizing the debt ratio as a primary indicator of financial health. The debt ratio measures the amount of debt in the Corporation's capital structure. The Corporation uses this measure in assessing the extent of financial leverage and, in turn, its financial flexibility.

Too high a ratio relative to target indicates an excessive debt burden that may impair the Corporation's ability to withstand downturns in revenues and still meet fixed payment obligations. The ratio is calculated as net debt divided by capitalization at the end of the year.

CIC reviews the debt ratio targets of all its subsidiary Crown corporations on an annual basis to ensure consistency with industry standards. This review includes subsidiary Crown corporations' plans for capital spending. The target debt ratios for subsidiary Crown corporations are approved by the CIC Board. The Corporation uses targeted debt ratios to compile a weighted average debt ratio for the CIC Crown sector.

The Corporation raises most of its capital requirements through internal operating activities and notes payable and long-term debt through the GRF. This type of borrowing allows the Corporation to take advantage of the Province of Saskatchewan's strong credit rating and receive financing at attractive interest rates.

The Corporation made no changes to its approach to capital management during the year and complied with all externally imposed capital requirements.

The debt ratio is as follows (thousands of dollars):

	<b>Note</b>	<b>2026</b>	<b>2025</b>
Total debt (a)		<b>\$ 14,952,019</b>	\$ 13,452,198
Less: Sinking funds	7(a)	<b>(1,343,552)</b>	(1,314,346)
Net debt		<b>13,608,467</b>	12,137,852
Equity		<b>6,901,289</b>	6,835,188
<u>Capitalization</u>		<u><b>\$ 20,509,756</b></u>	<u>\$ 18,973,040</u>
Debt ratio		<b>66.4%</b>	64.0%

a) Total debt includes long-term debt, long-term debt due within one year and notes payable.

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
**March 31, 2026**

## 23. Accumulated other comprehensive income

(thousands of dollars)

	2026	2025
Items that may be subsequently reclassified to net earnings:		
Unrealized losses on sinking funds	\$ (71,286)	\$ (39,941)
Unrealized losses on cash flow hedges	(26,049)	(3,809)
Realized losses on cash flow hedges	(8,482)	(8,941)
	<b>(105,817)</b>	<b>(52,691)</b>
Items that will not be reclassified to net earnings:		
Impact of defined benefit plan actuarial assumption changes and asset ceiling	296,793	282,898
	<b>\$ 190,976</b>	<b>\$ 230,207</b>

## 24. Commitments and contingencies

The following significant commitments and contingencies exist at March 31, 2026:

- a) At 2026 prices, the Corporation has forward commitments of \$783.9 million (2025 - \$1,035.7 million) extending until 2030 for future minimum coal deliveries.
- b) As at March 31, 2026, the Corporation has committed to spend \$2,216.1 million (2025 - \$2,278.8 million) on capital projects.
- c) The Corporation has entered into contracts to purchase natural gas, transportation and storage for electricity generation expected to cost \$785.2 million (2025 - \$1,044.0 million) based on forward market prices until 2048. This includes fixed price forward contracts with a notional value of \$232.3 million (2025 - \$289.5 million) which are eligible for the own-use scope exception.
- d) The Corporation has entered into power purchase agreements (PPAs) that provide approximately 2,622 MW of generating capacity. The payments related to these PPAs are expected to be \$18,548.9 million (2025 - \$16,165.1 million) until 2061, which includes lease liabilities of \$1,726.0 million (2025 - \$1,898.2 million).
- e) During the year, the Corporation entered into commodity contracts for the physical purchase of natural gas to be used for expected sales requirements for natural gas customers. As at March 31, 2026, natural gas derivative instruments had the following notional values and maturities for the next five fiscal years (millions of dollars):

2027	\$ 94.4
2028	95.9
2029	118.5
2030	97.2
2031	67.0
- f) The Corporation has outstanding service contract commitments of \$304.1 million (2025 - \$388.5 million).

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
**March 31, 2026**

**24. Commitments and contingencies** *(continued)*

- g) The Corporation has various legal matters pending which, in the opinion of management, will not have a material effect on the Corporation's consolidated financial position or results of operations. Should the ultimate resolution of actions differ from management's assessments and assumptions, a material adjustment to the Corporation's financial position or results of operations could result.

**25. Revenue and other income**

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
Utilities <sup>1</sup>	\$ 5,638,702	\$ 5,608,154
Insurance	1,469,931	1,426,101
Entertainment	797,661	742,605
Other and consolidation adjustments	(194,677)	(162,280)
	<b>\$ 7,711,617</b>	<b>\$ 7,614,580</b>

<sup>1</sup> Utilities revenue primarily consists of revenue from contracts with customers. These contracts include wireless, internet, television, telephone, electricity, water, and natural gas contracts.

**26. Depreciation and amortization**

(thousands of dollars)

	<b>Note</b>	<b>2026</b>	<b>2025</b>
Property, plant and equipment	13	\$ 1,007,820	\$ 938,097
Right-of-use assets	14	67,534	67,322
Intangible assets	15	64,693	66,891
		<b>\$ 1,140,047</b>	<b>\$ 1,072,310</b>

**27. Saskatchewan taxes and fees**

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
Saskatchewan capital tax	\$ 114,932	\$ 102,441
Grants in lieu of taxes to municipalities	37,432	39,423
Insurance premium tax	39,910	39,097
Gaming fees	159,957	134,965
Other	11,420	10,956
	<b>\$ 363,651</b>	<b>\$ 326,882</b>

**Crown Investments Corporation of Saskatchewan**  
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## 28. Finance income and expenses

(thousands of dollars)

	Note	2026	2025
Sinking fund earnings	7(a)	\$ 39,985	\$ 44,065
Gain on sale of investments at FVTPL		31,364	58,397
Interest and other income from investments at FVTPL		45,725	50,555
Interest and other income from investments at AC		9,388	10,461
Interest income from defined benefit pension plans	21	64,953	69,347
Finance expense from insurance contracts		(22,264)	(41,718)
Finance income from reinsurance contracts		3,205	5,268
Other		38,479	39,917
<b>Finance income</b>		<b>210,835</b>	<b>236,292</b>
Interest expense on financial liabilities at AC		671,420	638,367
Accretion expense on provisions	17	31,220	21,090
Interest cost on defined benefit pension plans	21	60,821	65,014
Interest cost on other defined benefit plans	21	4,813	5,870
Interest capitalized <sup>1</sup>		(58,792)	(57,197)
Other		5,577	5,004
<b>Finance expenses</b>		<b>715,059</b>	<b>678,148</b>
<b>Net finance expenses</b>		<b>\$ 504,224</b>	<b>\$ 441,856</b>

<sup>1</sup> The weighted average interest rate used to capitalize interest was 3.8 per cent at March 31, 2026 (2025 - 3.8 per cent).

## 29. Consolidated statement of cash flows

### a) Adjustments to reconcile net earnings to cash from operating activities

(thousands of dollars)

	Note	2026	2025
Depreciation and amortization	26	\$ 1,140,047	\$ 1,072,310
Share of net earnings from equity accounted investees	12	(10,890)	(10,728)
Defined benefit plan current service costs	21	4,993	4,692
(Recovery of) provision for decommissioning and environmental remediation liabilities	17	(2,797)	27,869
Unrealized losses (gains) on derivative financial instruments	9(b)	11,573	(8,855)
Inventory write-downs	10	6,121	3,089
Loss on disposal of property, plant and equipment		42,645	34,282
Impairment losses		684	4,791
Net finance expenses	28	504,224	441,856
Other non-cash items		39,826	3,009
		<b>\$ 1,736,426</b>	<b>\$ 1,572,315</b>

**Crown Investments Corporation of Saskatchewan**  
**Notes to Consolidated Financial Statements**  
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**29. Consolidated statement of cash flows** *(continued)*

**b) Reconciliation of changes in liabilities to cash flows arising from financing activities**

(thousands of dollars)

	Note	Sinking funds	Notes payable	Long-term debt	Lease liabilities	Other	Total
Balance as of March 31, 2024		\$ 1,131,599	\$ (1,403,372)	\$(11,171,917)	\$ (926,375)	\$ (100,360)	\$ (12,470,425)
Changes from financing cash flows:							
Increase in notes payable		-	134,155	-	-	-	134,155
Increase in other liabilities		-	-	-	-	(5,695)	(5,695)
Debt proceeds from the GRF		-	-	(1,363,667)	-	-	(1,363,667)
Debt repayments to the GRF		-	-	350,000	-	-	350,000
Debt repayments to other lenders		-	-	2,779	-	-	2,779
Principal repayments of lease liabilities		-	-	-	71,220	-	71,220
Sinking fund installments	7(a)	117,989	-	-	-	-	117,989
Sinking fund redemptions	7(a)	(15,132)	-	-	-	-	(15,132)
<b>Total changes from financing cash flows</b>		<b>\$ 102,857</b>	<b>\$ 134,155</b>	<b>\$ (1,010,888)</b>	<b>\$ 71,220</b>	<b>\$ (5,695)</b>	<b>\$ (708,351)</b>
Other changes:							
Unrealized gains on sinking funds	7(a)	35,825	-	-	-	-	35,825
Capitalized borrowing costs		-	-	-	(1,691)	-	(1,691)
Sinking fund earnings	7(a)	44,065	-	-	-	-	44,065
Other		-	-	(176)	(207,061)	964	(206,273)
<b>Total other changes</b>		<b>\$ 79,890</b>	<b>\$ -</b>	<b>\$ (176)</b>	<b>\$ (208,752)</b>	<b>\$ 964</b>	<b>\$ (128,074)</b>
<b>Balance as of March 31, 2025</b>		<b>\$ 1,314,346</b>	<b>\$ (1,269,217)</b>	<b>\$(12,182,981)</b>	<b>\$ (1,063,907)</b>	<b>\$ (105,091)</b>	<b>\$ (13,306,850)</b>
Changes from financing cash flows:							
Increase in notes payable		-	(52,687)	-	-	-	(52,687)
Increase in other liabilities		-	-	-	-	(47,347)	(47,347)
Debt proceeds from the GRF		-	-	(1,775,308)	-	-	(1,775,308)
Debt repayments to the GRF		-	-	326,700	-	-	326,700
Debt repayments to other lenders		-	-	2,813	-	-	2,813
Principal repayments of lease liabilities		-	-	-	60,866	-	60,866
Sinking fund installments	7(a)	133,339	-	-	-	-	133,339
Sinking fund redemptions	7(a)	(112,773)	-	-	-	-	(112,773)
<b>Total changes from financing cash flows</b>		<b>\$ 20,566</b>	<b>\$ (52,687)</b>	<b>\$ (1,445,795)</b>	<b>\$ 60,866</b>	<b>\$ (47,347)</b>	<b>\$ (1,464,397)</b>
Other changes:							
Unrealized gains on sinking funds	7(a)	(31,345)	-	-	-	-	(31,345)
Capitalized borrowing costs		-	-	-	(1,645)	-	(1,645)
Sinking fund earnings	7(a)	39,985	-	-	-	-	39,985
Other		-	-	(1,339)	(32,677)	2,192	(31,824)
<b>Total other changes</b>		<b>\$ 8,640</b>	<b>\$ -</b>	<b>\$ (1,339)</b>	<b>\$ (34,322)</b>	<b>\$ 2,192</b>	<b>\$ (24,829)</b>
<b>Balance as of March 31, 2026</b>		<b>\$ 1,343,552</b>	<b>\$ (1,321,904)</b>	<b>\$(13,630,115)</b>	<b>\$ (1,037,363)</b>	<b>\$ (150,246)</b>	<b>\$ (14,796,076)</b>

### 30. Related party transactions

Included in these consolidated financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as “related parties”). The Corporation has elected to take a partial exemption under IAS 24, *Related Party Disclosures* which allows government-related entities to limit the extent of disclosures about related party transactions with government or other government-related entities.

These transactions are in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

In addition, the Corporation pays Saskatchewan provincial sales tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of these purchases.

Other transactions and amounts due to and from related parties and the terms of settlement are described separately in these consolidated financial statements and the notes thereto.

#### Key management personnel compensation

In addition to salaries, the Corporation provides non-cash benefits to key management personnel, defined as the Board of Directors of each of its subsidiaries, as well as the President and Vice Presidents of CIC and each of its subsidiaries.

Key management personnel compensation consists of (thousands of dollars):

	<b>2026</b>	<b>2025</b>
Salaries, wages and short-term employee benefits	\$ 20,138	\$ 20,612
Employee future benefits	1,595	1,339
Termination benefits	920	-
Other	-	11
	<b>\$ 22,653</b>	<b>\$ 21,962</b>

## CIC Separate Management Discussion & Analysis

### Analysis of CIC Separate Financial Results

CIC's separate financial statements are used to determine the Corporation's capacity to pay dividends and equity repayments to the province's General Revenue Fund (GRF). These separate financial statements are intended to isolate CIC's cash flow, capital and operating support for certain subsidiary Crown corporations. Inclusion of these financial statements in the annual report enhances the accountability and transparency of CIC's operations.

This narrative on CIC's separate 2025-26 financial results should be read in conjunction with the audited separate financial statements. For the purposes of this narrative on CIC's separate financial results, "CIC" refers to the holding company.

### Comparison of 2025-26 Results with 2024-25 Results

#### Net Earnings

Earnings (millions of dollars)	2025-26	2024-25	2023-24	2022-23	2021-22
Dividend revenue	\$ 316.6	\$ 282.0	\$ 225.7	\$ 116.1	\$ 189.4
Add: Net finance and other income	1.1	1.8	1.5	0.9	0.7
Less: Operating, salaries and other expenses	(21.6)	(19.9)	(15.4)	(13.9)	(3.6)
Grants	(190.9)	(6.3)	-	-	-
<b>Total Separate Earnings</b>	<b>\$ 105.2</b>	<b>\$ 257.6</b>	<b>\$ 211.8</b>	<b>\$ 103.1</b>	<b>\$ 186.5</b>

Net earnings for 2025-26 were \$105.2 million, a decrease of \$152.4 million from 2024-25. The decrease in earnings is due to additional grant funding paid during the year, partially offset by improved Crown dividend revenue. A more detailed discussion of 2025-26 compared to 2024-25 financial results is included on the following pages.

#### Dividend Revenue

CIC's revenue is comprised of dividends from subsidiary Crown corporations, dividends through its investment in Information Services Corporation and revenue from investments. Dividends from subsidiary Crown corporations are the primary factor in CIC's ability to pay dividends to the GRF.

Revenues are influenced by weather conditions, commodity markets, general economic and geopolitical conditions, interest and exchange rates, competition, the regulatory environment, technology changes, labour disruptions and supply chains. Examples include:

- Demand for electricity and natural gas increases during cold weather and decreases during warm weather, which impacts earnings at Saskatchewan Power Corporation (SaskPower) and SaskEnergy Incorporated (SaskEnergy).
- Accident and property insurance claims at Saskatchewan Government Insurance (SGI CANADA) are negatively impacted by winter driving conditions and the summer storm season. Competition, climate change, inflationary pressures, and investment market volatility also impact earnings at SGI CANADA.
- Water run-off levels impact SaskPower's capacity to generate hydroelectricity, a lower-cost fuel than natural gas and coal generation, and impact SaskWater customers' demand for potable and non-potable service.
- Natural gas prices impact earnings at SaskPower and SaskEnergy.
- Investments in infrastructure to expand high-speed broadband internet service in rural, remote, and First Nations communities in Saskatchewan, bring about increases in depreciation and finance expenses, impacting earnings at SaskTel.

## Dividend Revenue (continued)

Crown dividends are calculated in accordance with CIC's dividend policy and typically based on a percentage of operating earnings; however, various factors may lead to an amount being set on an alternate basis. Operating earnings exclude any non-cash fair market value adjustments on items such as financial instruments and inventory. Dividend targets are based on the overall financial health of the subsidiary Crown and its infrastructure reinvestment requirements, financial performance, and debt reduction, if required. These targets are subject to change during the year if there is a significant change in circumstances. A five-year history of dividend revenue by contribution source is as follows:

Dividend Revenue (millions of dollars)	2025-26	2024-25	2023-24	2022-23	2021-22
Lotteries and Gaming Saskatchewan (LGS)	\$ 215.2	\$ 190.0	\$ 139.1	\$ 17.0	\$ -
SaskTel	41.9	32.9	38.2	41.6	94.0
SaskEnergy	33.8	31.8	20.6	44.7	21.5
SGI CANADA	16.0	18.0	-	-	57.5
Information Services Corp. (ISC)	5.0	5.0	5.0	5.0	5.7
SaskWater	4.7	4.3	4.3	7.8	6.5
SaskPower	-	-	18.5	-	3.2
Saskatchewan Opportunities Corp.	-	-	-	-	1.0
<b>Total Dividend Revenue</b>	<b>\$ 316.6</b>	<b>\$ 282.0</b>	<b>\$ 225.7</b>	<b>\$ 116.1</b>	<b>\$ 189.4</b>

Dividend revenue in 2025-26 increased \$34.6 million to \$316.6 million from \$282.0 million in 2024-25. The increase was primarily due to higher dividends from LGS of \$25.2 million and SaskTel of \$9.0 million.

LGS's dividend was higher compared to the prior year largely driven by stronger earnings from land-based casinos, online gaming, and VLTs. This was driven by strong economic conditions which resulted in more disposable income in the province and increased guest spending.

SaskTel's increased dividends were primarily due to growth in wireless network services and equipment, fixed broadband and data services, and *maxTV* service revenue. SaskTel also sold its out of province security monitoring accounts, resulting in additional revenue.

## Expenses

Operating, salaries and benefits and other expenses were \$1.7 million higher at \$21.6 million compared to \$19.9 million in 2024-25.

CIC continues its leadership role in supporting the provincial government's goals and objectives as outlined in *Saskatchewan's Growth Plan*. CIC is playing a key role in delivering government priorities through education and culture initiatives, investment attraction for economic growth and development, and securing reliable and affordable energy for the future, including nuclear. This leadership role has translated into operational growth for the company.

In 2025-26, CIC provided \$190.9 million in grants to support government initiatives. This represents growth of \$184.6 million from the comparative period. The increase is primarily due to a \$187.0 million grant provided to SaskPower to support rate affordability for customers.

CIC provided  
**\$190.9 million**  
in grants in  
2025-26.

CIC SEPARATE

## Operating, Investing and Financing Activities

Cash Flow Highlights (millions of dollars)	2025-26	2024-25
Cash from operating activities	\$ 109.4	\$ 243.8
Cash (used in) provided by investing activities	(29.1)	1.7
Cash used in financing activities	(68.3)	(240.5)
<b>Change in Cash</b>	<b>\$ 12.0</b>	<b>\$ 5.0</b>

Net cash from operating activities was \$109.4 million compared to \$243.8 million in 2024-25. This difference is the result of additional grant funding paid, partially offset by increased dividend revenue from the Crowns. The year-over-year dividend improvement was primarily driven by improved operations at LGS and SaskTel, while grant funding grew due to the SaskPower rate affordability grant.

Net cash used in investing activities was \$29.1 million compared to \$1.7 million provided by investing activities in 2024-25. This change is the result of \$30.0 million being invested in short-term investments, along with reduced interest income earned in the current period due to lower interest rates.

Net cash used in financing activities was \$68.3 million compared to \$240.5 million in 2024-25. The decrease was a result of lower dividends paid to the GRF to ensure adequate cash was available to pay the \$187.0 million rate affordability grant to SaskPower.

## Public Policy Initiatives

CIC supports government public policy initiatives and programs including the Indigenous Bursary Program, the Indigenous Cultural Awareness Program, and the Crown Career Pathways program. More information on these programs is detailed in the Corporate Information section of this report.

## Key Factors Affecting Financial Performance

### Earnings

- The key factor affecting CIC's earnings is the level of dividends from commercial subsidiary Crown corporations. Crown earnings and dividend levels are impacted by variable factors such as weather conditions, commodity markets, economic and geopolitical conditions, interest and exchange rates, performance, competition, regulatory environment, technology changes, and labour disruptions.
- Factors affecting the level of dividends from subsidiary Crowns include the level of profits and the application of CIC's Subsidiary Dividend Policy. The CIC Board determines dividend levels for a subsidiary Crown corporation after considering medium term reinvestment needs within each Crown to sustain operations, to grow and diversify, and for debt reduction if necessary.

### Investment Valuation

- CIC regularly assesses the appropriateness of the carrying value of its investments and adjusts the value of investments if it judges them to have other than a temporary increase or decrease in carrying value.

## Looking Ahead to 2026-27

CIC's key initiatives for 2026-27:

- Provide a reasonable return to the Shareholder (Province of Saskatchewan).
- Advance key provincial goals that contribute to the economic growth of the province and improve the quality of life for the people of Saskatchewan, including supporting investment attraction to the province, promoting collaboration across the public and private sectors, providing the infrastructure for growth, strengthening and securing Saskatchewan supply chains, and ensuring the delivery of safe, reliable and affordable products and services.
- Maintain and improve Saskatchewan's Crown corporation infrastructure to meet the needs of residents, businesses, and communities.
- Lead the Crown sector in aligning with *Saskatchewan's Growth Plan: The Next Decade of Growth*, the government's roadmap to build a strong economy, strong communities, strong families, and a stronger Saskatchewan.
- Continue developing strategies that support secure, affordable, and reliable energy for the province of Saskatchewan.
- Coordinate connectivity planning efforts to improve broadband and cellular capacity and capabilities province wide, identifying the opportunities for improving broadband and mobile connectivity for government entities, families, businesses, industries, and communities.
- Lead an advisory council advancing Indigenous economic participation and workforce development across Saskatchewan's Crown sector.
- Provide strong governance and accountability through a sector-wide Enterprise Risk Management (ERM) framework.
- Oversee the Crown corporation strategies to responsibly advance the use of emerging technologies such as Artificial Intelligence and protect against cyber-attacks by managing the associated risks.
- Monitor new developments in financial reporting and governance, ensuring that CIC continues to be a leader in its reporting and accountability practices.
- Challenge its Crown corporations to identify innovative solutions that enhance services and customer experience, while focusing on the most effective and efficient ways possible to deliver those services.

## Responsibility for Financial Statements

The accompanying separate financial statements have been prepared by management of Crown Investments Corporation of Saskatchewan to illustrate the financial position and results of operations and cash flows of the corporate entity only. They have been prepared, without consolidation, in accordance with the basis of accounting described in Note 2 and Note 4 to the separate financial statements, and consistently applied, using management's best estimates and judgements where appropriate. Management is responsible for the reliability and integrity of the separate financial statements, the notes to the separate financial statements and other information contained in this annual report.

CIC's Board of Directors is responsible for overseeing the business affairs of the Corporation and has responsibility for the reliability and integrity of the separate financial statements with eventual approval of the separate financial statements. The Board of Directors is responsible for reviewing the separate financial statements and meeting with management, KPMG LLP and the Provincial Auditor of Saskatchewan on matters relating to the financial process.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the separate financial statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained. The Provincial Auditor of Saskatchewan has reported to the Legislative Assembly that these controls are adequately functioning.

KPMG LLP has audited the separate financial statements. Their report to the Members of the Legislative Assembly, stating the scope of examination and opinion on the separate financial statements, appears on the following page.



Kent Campbell  
President & CEO



Brad Hunt, CPA, CMA, CIA  
Corporate Controller

June 16, 2026

## Independent Auditor's Report

To the Members of the Legislative Assembly, Province of Saskatchewan

### **Opinion**

We have audited the separate financial statements of Crown Investments Corporation of Saskatchewan ("the Entity") which comprise:

- the separate statement of financial position as at March 31, 2026
- the separate statement of comprehensive income for the year then ended
- the separate statement of changes in equity for the year then ended
- the separate statement of cash flows for the year then ended
- and notes to the separate financial statements, including a summary of material accounting policy information (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the separate financial position of the Entity as at March 31, 2026, and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for KPMG LLP, featuring the letters 'KPMG' in a bold, sans-serif font, followed by 'LLP' in a smaller, similar font. A horizontal line is drawn underneath the text.

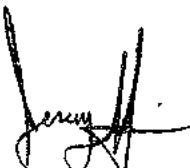
Chartered Professional Accountants  
Regina, Canada  
June 16, 2026

**Crown Investments Corporation of Saskatchewan**  
**Separate Statement of Financial Position**  
**As at March 31**  
**(thousands of dollars)**

	Note	2026	2025
<b>ASSETS</b>			
Current			
Cash		\$ 49,045	\$ 37,041
Interest and accounts receivable	6	174,705	75,662
Dividends receivable		87,460	89,834
Short-term investments	7	30,195	-
		<b>341,405</b>	202,537
Equity advances to Crown corporations	8	940,231	940,231
Investments in share capital corporations	9	4,957	4,957
Property and equipment		501	416
Right-of-use assets		3,916	4,380
		<b>\$ 1,291,010</b>	<b>\$ 1,152,521</b>
<b>LIABILITIES AND PROVINCE'S EQUITY</b>			
Current			
Accounts payable	6	\$ 180,401	\$ 78,720
Lease liabilities		367	353
		<b>180,768</b>	79,073
Lease liabilities		<b>3,709</b>	4,076
		<b>184,477</b>	83,149
Province of Saskatchewan's Equity			
Equity advances	10	538,389	538,389
Retained earnings		568,144	530,983
		<b>1,106,533</b>	1,069,372
		<b>\$ 1,291,010</b>	<b>\$ 1,152,521</b>
Subsequent event	9		

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

On behalf of the Board:

Director 

Director 

**Crown Investments Corporation of Saskatchewan  
 Separate Statement of Comprehensive Income  
 For the Year Ended March 31  
 (thousands of dollars)**

	Note	2026	2025
<b>INCOME FROM OPERATIONS</b>			
Dividend revenue	11	\$ 316,563	\$ 281,996
Other income		9	4
		<b>316,572</b>	<b>282,000</b>
<b>EXPENSES</b>			
Operating		7,505	8,030
Grants	12	190,925	6,333
Salaries and short-term employee benefits		12,623	10,496
Employee future benefits		903	806
Depreciation		553	551
		<b>212,509</b>	<b>26,216</b>
<b>EARNINGS FROM OPERATIONS</b>		<b>104,063</b>	<b>255,784</b>
Finance income		1,264	1,952
Finance expenses		(166)	(105)
<b>NET FINANCE INCOME</b>		<b>1,098</b>	<b>1,847</b>
<b>NET EARNINGS</b>		<b>105,161</b>	<b>257,631</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN</b>		<b>\$ 105,161</b>	<b>\$ 257,631</b>

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

**Crown Investments Corporation of Saskatchewan**  
**Separate Statement of Changes in Equity**  
**For the Year Ended March 31**  
**(thousands of dollars)**

<b>Attributable to the Province of Saskatchewan</b>				
	Note	Equity Advances	Retained Earnings	Total Equity
Balance at April 1, 2024		\$ 538,389	\$ 513,352	\$ 1,051,741
Total comprehensive income		-	257,631	257,631
Dividends to the General Revenue Fund (GRF)	10	-	(240,000)	(240,000)
<b>Balance at March 31, 2025</b>		<b>\$ 538,389</b>	<b>\$ 530,983</b>	<b>\$ 1,069,372</b>
<b>Balance at April 1, 2025</b>		<b>\$ 538,389</b>	<b>\$ 530,983</b>	<b>\$ 1,069,372</b>
Total comprehensive income		-	<b>105,161</b>	<b>105,161</b>
Dividends to the GRF	10	-	<b>(68,000)</b>	<b>(68,000)</b>
<b>Balance at March 31, 2026</b>		<b>\$ 538,389</b>	<b>\$ 568,144</b>	<b>\$ 1,106,533</b>

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

**Crown Investments Corporation of Saskatchewan**  
**Separate Statement of Cash Flows**  
**For the Year Ended March 31**  
**(thousands of dollars)**

	Note	2026	2025
<b>OPERATING ACTIVITIES</b>			
Net earnings		\$ 105,161	\$ 257,631
Items not affecting cash from operations			
Depreciation		553	551
Net finance income		(1,098)	(1,847)
		<b>104,616</b>	<b>256,335</b>
Net change in non-cash working capital balances related to operations	13	<b>4,973</b>	(12,430)
Interest paid		(166)	(105)
<b>Net cash from operating activities</b>		<b>109,423</b>	<b>243,800</b>
<b>INVESTING ACTIVITIES</b>			
Interest received		1,303	1,957
Purchase of investments		(30,195)	-
Purchase of property and equipment		(174)	(260)
<b>Net cash (used in) from investing activities</b>		<b>(29,066)</b>	<b>1,697</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid to the GRF	10	(68,000)	(240,000)
Principal repayments of lease liabilities		(353)	(464)
<b>Net cash used in financing activities</b>		<b>(68,353)</b>	<b>(240,464)</b>
<b>NET CHANGE IN CASH DURING YEAR</b>		<b>12,004</b>	<b>5,033</b>
<b>CASH, BEGINNING OF YEAR</b>		<b>37,041</b>	<b>32,008</b>
<b>CASH, END OF YEAR</b>		<b>\$ 49,045</b>	<b>\$ 37,041</b>

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

**Crown Investments Corporation of Saskatchewan**  
**Notes to Separate Financial Statements**  
**March 31, 2026**

## **1. General information**

Crown Investments Corporation of Saskatchewan (CIC or the Corporation) is a corporation domiciled in Canada. The address of CIC's registered office and principal place of business is 400 - 2400 College Avenue, Regina, SK, S4P 1C8. CIC was established to act as a holding corporation for the Province's commercial Crown sector. CIC develops broad corporate policy, directs investments for its subsidiaries and provides dividends to the province's General Revenue Fund (GRF). A list of CIC's subsidiaries with principal activities is contained in Note 5.

## **2. Basis of preparation**

### **a) Statement of compliance**

The separate financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The separate financial statements were authorized for issue by the Board of Directors on June 16, 2026.

### **b) Basis of measurement**

The separate financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss.

### **c) Functional and presentation currency**

The separate financial statements are presented in Canadian dollars, which is CIC's functional currency.

### **d) Accounting estimates**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Material items subject to estimates and assumptions include the carrying amounts of equity advances to Crown corporations and investments in share capital corporations. These significant areas are further described in Notes 4(c), 8 and 9.

### **e) Accounting judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements that affect the application of accounting policies. Material items subject to judgement are included in the accounting policies listed in Note 4.

### **3. Application of new accounting standards, and amendments to standards and interpretations**

Certain new standards, interpretations, and amendments to existing standards, effective for annual periods beginning on or after January 1, 2025, have been applied in preparing these separate financial statements. There was no material impact to the separate financial statements:

- Lack of exchangeability (Amendments to IAS 21, *The Effect of Changes in Foreign Exchange Rates*).

Certain new standards, interpretations and amendments were issued by the IASB or the International Financial Reporting Interpretations Committee are not yet effective for the year ended March 31, 2026. The Corporation is currently evaluating the impact of these on the financial statements:

- Amendments to clarify when to recognize or derecognize a financial asset or liability (Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures* effective April 1, 2026).
- Changes to the presentation of financial results on the face of the income statement and related note disclosures (IFRS 18, *Presentation and Disclosure of Financial Statements* effective April 1, 2027). The new standard introduces the following new key requirements:
  - Entities are required to classify all income and expenses into operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal and a new subtotal required for profit or loss before financing and income tax. Entities' net earnings will not change.
  - Management-defined performance measures are disclosed in a single note in the financial statements.
  - Enhanced guidance is provided on how to group information in the financial statements.
  - Entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

### **4. Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these separate financial statements. CIC's separate financial statements do not consolidate the activities of its subsidiaries. Other than this exception, the accounting policies have been consistently applied by CIC's subsidiary corporations.

CIC prepares audited consolidated financial statements in accordance with IFRS 10, *Consolidated Financial Statements*. The audited consolidated financial statements were authorized by the CIC Board of Directors on June 16, 2026. CIC's audited consolidated financial statements should be referenced for further information.

#### **a) Equity advances to Crown corporations**

Crown corporations do not have share capital. However, Crown corporations may have equity advances from CIC to form their equity capitalization. The equity advances are accounted for at cost less any accumulated impairment losses and dividends from these corporations are recognized as income when declared.

#### **b) Investments in share capital corporations**

Investments in shares of corporations are accounted for at cost less any accumulated impairment losses. Dividends from these investments are recognized as income when declared.

#### **4. Material accounting policies** *(continued)*

##### **c) Impairment of equity in Crown corporations and share capital corporations**

Investments in Crown corporations and share capital corporations are assessed at each reporting date to determine whether there is objective evidence that the investment is impaired. An investment is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the investment, and that the loss event had a negative effect on the estimated future cash flows. An impairment loss is recognized through net earnings if the carrying amount of the investment exceeds its recoverable amount.

If, in a subsequent period, the fair value of an impaired investment increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in net earnings, then the impairment loss is reversed, with the amount of the recovery recognized through net earnings.

##### **d) Financial instruments**

###### **Classification and measurement**

All financial instruments are measured at fair value on initial recognition. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments at fair value through profit or loss in which case the transaction costs are expensed as incurred. Measurement in subsequent periods depends on the classification of the financial instrument. Due to the short-term nature of the Corporation's financial instruments, all carrying values approximate fair value.

###### **i) Financial instruments at fair value through profit or loss**

The Corporation classifies cash and short-term investments as financial instruments at fair value through profit or loss.

###### **ii) Financial instruments at amortized cost**

The Corporation classifies interest and accounts receivable, dividends receivable and accounts payable as amortized cost. Amortized cost financial instruments are subsequently measured at amortized cost using the effective interest method, less any provision for impairment losses on financial assets. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the net carrying amount of the financial instrument.

##### **e) Equity advances**

CIC periodically receives funding from the Government of Saskatchewan through the GRF. Funding can be provided for one of two purposes, government policy initiatives for which no return is expected or required, or long-term investment which is expected to provide a return to the GRF. Funding provided for long-term investment is recorded as an equity advance (Note 8).

##### **f) Revenue recognition**

CIC's revenue is derived from the ownership of its subsidiary corporations. Dividend revenue from subsidiary corporations is recorded as revenue in the Separate Statement of Comprehensive Income when declared. Dividends received are classified as operating activities in accordance with IAS 7, *Statement of Cash Flows*.

**Crown Investments Corporation of Saskatchewan**  
**Notes to Separate Financial Statements**  
**March 31, 2026**

## **5. Status of Crown Investments Corporation of Saskatchewan**

CIC was established by Order in Council 535/47 dated April 2, 1947, and continued under the provisions of *The Crown Corporations Act, 1993* (the Act). CIC is an agent of His Majesty in Right of the Province of Saskatchewan and as a provincial Crown corporation is not subject to federal and provincial income taxes. Certain jointly controlled enterprises and subsidiaries are not provincial Crown corporations and are subject to federal and provincial income taxes.

The Act assigns specific financial and other responsibilities to CIC regarding Crown corporations designated or created as subsidiary Crown corporations of CIC under the Act. The following wholly-owned Crown corporations have been designated or created by Order in Council:

<b>Wholly-owned subsidiaries domiciled in Canada</b>	<b>Principal Activity</b>
Saskatchewan Power Corporation (SaskPower)	Electricity
Saskatchewan Telecommunications Holding Corporation and Saskatchewan Telecommunications (collectively SaskTel)	Information and communication technology
SaskEnergy Incorporated (SaskEnergy)	Natural gas storage and delivery
Saskatchewan Water Corporation (SaskWater)	Water and wastewater management
Saskatchewan Government Insurance (SGI CANADA)	Property and casualty insurance
Lotteries and Gaming Saskatchewan (LGS)	Entertainment

In addition to the above Crown corporations, CIC is the sole shareholder of CIC Asset Management Inc. (CIC AMI), a wholly-owned share capital subsidiary which is domiciled in Canada. CIC AMI has a mandate to prudently monitor and review the remaining portfolio of investments and environmental liabilities.

## **6. Interest and accounts receivable/accounts payable**

On March 31, 2023, CIC entered into an agreement with the Government of Canada as part of its Future Electricity Fund (FEF) program. The FEF provides grant funding for pre-approved electricity focused projects that support greenhouse gas emission reductions. CIC is the holder of the agreement; however, SaskPower is named as the ultimate recipient as it will receive the material benefit of the implementation of project and program funding. As of March 31, 2026, CIC has set up a receivable of \$174.7 million (2025 - \$75.3 million), with an offsetting payable to SaskPower. CIC anticipates receipt of the program funds and corresponding transfer to SaskPower will occur in 2026-27.

## **7. Short-term investments**

Short-term investments consist of funds held in an interest-bearing notice account with a contractual notice period of 95 days. At March 31, 2026, the interest rate was 3.2 per cent (2025 – no short-term investments held).

**Crown Investments Corporation of Saskatchewan**  
**Notes to Separate Financial Statements**  
**March 31, 2026**

**8. Equity advances to Crown corporations**

Equity advances to Crown corporations are as follows (thousands of dollars):

	2026		2025
SaskPower	\$ 593,000	\$	593,000
SaskTel	237,000		237,000
SGI CANADA	80,000		80,000
SaskEnergy	21,531		21,531
SaskWater	8,700		8,700
	<b>\$ 940,231</b>	<b>\$</b>	<b>940,231</b>

**9. Investments in share capital corporations**

(thousands of dollars)

	Voting Percentage		2026		2025
<b>CIC Asset Management Inc. (a):</b>					
1 (2025 - 1) Class A common share	100%	\$	-	\$	-
Due from CIC AMI			4,957		4,957
			<b>4,957</b>		<b>4,957</b>
<b>Information Services Corporation (ISC) (b):</b>					
5,425,000 (2025 - 5,425,000)					
Class A Limited Voting shares	29.0%		-		-
		<b>\$</b>	<b>4,957</b>	<b>\$</b>	<b>4,957</b>

- a) CIC AMI was established on November 14, 1979, under *The Business Corporations Act (Saskatchewan)*. CIC AMI has a mandate to prudently monitor and review the remaining portfolio of investments and environmental liabilities.
- b) The Corporation owns 5,425,000 Class A Limited Voting shares representing a 29.0 per cent (2025 - 29.3 per cent) ownership interest of ISC. The dilution of CIC's ownership percentage was due to the exercising of stock options during the year. At March 31, 2026, the fair value of these shares was \$246.0 million (2025 - \$134.2 million). The shares are publicly traded on the Toronto Stock Exchange under the symbol ISC.

Subsequent to period end, ISC announced it had entered into an agreement with Plenary Americas LP (Plenary) whereby Plenary will acquire 100.0 per cent of the Class A Limited Voting Shares of ISC, including those held by CIC. CIC is expected to receive approximately \$277.0 million in proceeds prior to any fees and closing costs. The sale is expected to occur in the 2026-27 fiscal year.

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## 10. Equity advances and capital disclosures

CIC does not have issued or outstanding share capital. However, CIC has received advances from the GRF to form its equity capitalization. The advances are an equity investment in CIC by the GRF. Equity advances from the GRF have been invested in subsidiary Crown corporations. CIC, as a holding corporation for the Saskatchewan commercial Crown sector, does not carry any debt.

CIC's ability to pay regular dividends to the GRF depends mainly on the level of Crown corporation dividends to CIC, less CIC's operating costs. These operating costs may include support to Crown corporations, public policy expenditures and CIC's administrative expenses. Crown corporation dividend levels depend on their net earnings and capital structure. In addition to cash constraints, CIC's ability to declare dividends to the GRF depends on its retained earnings. CIC's earnings and hence, dividend capacity outlook, are sensitive to adverse developments in its operating expenditures and Crown corporation earnings.

For the year ended March 31, 2026, CIC declared and paid \$68.0 million (2025 - \$240.0 million) in dividends to the GRF.

## 11. Dividend revenue

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
LGS	\$ 215,151	\$ 189,985
SaskTel	41,872	32,883
SaskEnergy	33,827	31,855
SIG CANADA	16,000	18,000
Information Services Corporation	4,991	4,991
SaskWater	4,722	4,282
	<b>\$ 316,563</b>	<b>\$ 281,996</b>

## 12. Grants

(thousands of dollars)

	<b>2026</b>	<b>2025</b>
SaskPower Rate Affordability Grant (a)	\$ 187,000	\$ -
Other	3,925	6,333
	<b>\$ 190,925</b>	<b>\$ 6,333</b>

- a) On February 12, 2026, CIC was directed by the Province of Saskatchewan to provide a \$187.0 million grant to SaskPower for the purpose of supporting rate affordability for customers. The grant was paid by CIC to SaskPower on March 26, 2026.

### 13. Net change in non-cash working capital balances related to operations

(thousands of dollars)

	2026		2025
Increase in accounts receivable	\$ (99,082)	\$	(20,118)
Decrease (increase) in dividends receivable	2,374		(13,372)
Increase in accounts payable	101,681		21,060
	\$ 4,973	\$	(12,430)

### 14. Financial instruments

#### a) Market risk

Market risk reflects the risk that CIC's earnings will fluctuate due to changes in interest rates. CIC's cash is held in high interest bank accounts and notice plan accounts and will therefore adjust to fluctuations in the interest rate environment. CIC does not believe that the impact of fluctuations in interest rates will be material and therefore has not provided a sensitivity analysis of the impact on net earnings. Cash and short-term investments are measured at fair value based on an active market.

#### b) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk relates to groups of customers or counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. CIC's interest and accounts receivable consists of interest due on savings accounts and contractual funding from the Government of Canada's FEF program. CIC has recorded no provision for expected credit losses on its interest and accounts receivable balance. Dividends receivable are due from CIC's subsidiaries within 90 days of period end. CIC has recorded no provision for expected credit losses on its dividends receivable.

#### c) Liquidity risk

Liquidity risk is the risk that CIC is unable to meet its financial commitments as they become due. CIC is a Saskatchewan Provincial Crown corporation and as such has access to capital markets through the GRF. All interest and accounts payable are current and due within the next operating cycle. Currently, CIC has sufficient resources to discharge all liabilities.

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**15. Related party transactions**

Included in these separate financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to CIC by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as “related parties”). CIC has elected to take a partial exemption under IAS 24, *Related Party Disclosures* which allows government-related entities to limit the extent of disclosures about related party transactions with government and other government-related entities.

These transactions are in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

In addition, CIC pays Saskatchewan provincial sales tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases. CIC provides management services to CIC AMI without charge.

These separate financial statements and note disclosures separately describe other transactions and amounts due to and from related parties and the terms of settlement.

**16. Key management personnel compensation**

In addition to salaries, CIC also provides non-cash benefits to the president and vice presidents and contributes to a post-employment defined contribution plan on their behalf. A retirement allowance is provided to executive officers and accumulates at a rate of 1.9 per cent of their respective gross salary per year (2025 - 1.9 per cent).

Key management personnel compensation is comprised of:  
(thousands of dollars)

	<b>2026</b>	<b>2025</b>
Salaries and short-term employee benefits	\$ 1,563	\$ 1,606
Employee future benefits	295	171
Termination benefits	574	-
Other	-	11
	<b>\$ 2,432</b>	<b>\$ 1,788</b>

# Glossary of Terms

## **Capital Resources**

The funds that have been invested in and loaned to the corporation to allow it to carry out its operations and investment activities. A corporation's capital consists of its debt and equity.

## **Capital Structure**

The relative percentage of debt compared to equity for a corporation. The ideal capital structure for a corporation is usually specific to its industry and depends on factors such as the level of capital assets required to maintain operations, the cost of borrowing, the risk association with the industry, and shareholder expectations.

## **Comprehensive Income (Loss)**

The change in equity (net assets) of an enterprise during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners.

## **Debt Ratio**

Measures the per cent of debt in the overall capital structure of an organization and is used to evaluate its financial flexibility. It is calculated as total debt from ongoing operations (long-term debt plus long-term debt due within one year plus notes payable) less sinking funds divided by the corporation's capital (debt plus equity).

## **Dividend Capacity**

The financial ability that a firm has to pay dividends. Dividend capacity is determined by identifying cash sources from operations, analyzing reinvestment needs and the target capital structure, and then determining surplus cash.

## **Dividend Payout Rate**

Crown corporation dividends are typically based on earnings from operations; however, various factors may lead to an amount being set on an alternate basis.

## **General Revenue Fund (GRF)**

The GRF is a special purpose fund that the government uses to pay for most of the programs it provides. It is the Government of Saskatchewan's central accounting entity where all public monies are deposited to and disbursed from, as authorized by the legislative assembly.

## **Minimum Capital Test (MCT)**

The MCT is a capital adequacy test widely used in the insurance industry and indicates capital available to pay claims compared to capital required.

## **Net Margin Percentage**

Net margin percentage measures how much net earnings are generated as a percentage of revenue. It is calculated as net earnings divided by revenue.

## **Other Comprehensive Income (Loss)**

Comprises revenue, expenses, gains and losses that, in accordance with primary sources of International Financial Reporting Standards, are recognized in comprehensive income (loss), but excluded from net earnings.

## **Performance Management Plans**

Plans that are developed by each Crown corporation detailing key strategic priorities, measures and targets for a given year. They are also referred to as business plans, and typically include the corporation's budget for the year.

## **Return on Equity**

A measure of profitability that relates a company's earnings to the investment by its owners. It is calculated as net earnings divided by the average shareholder's equity.

## **Sinking Fund**

An account held for the specific purpose of paying down an existing debt instrument (e.g., loan) that has a maturity date in the future. Money is placed in the fund over the period which the debt is held and then used to pay off the debt at its maturity. Sinking funds are recorded as investments for financial reporting purposes.

# Directory

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## **Saskatchewan Power Corporation**

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*In Saskatchewan, lottery tickets can be purchased at more than 1,000 lottery terminals in about 260 communities across the province with proceeds distributed to more than 12,000 sport, culture and recreation groups and associations across the province.*





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