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Report of the Independent Auditor on the Summary Financial Statements

To the Members of Khalsa Credit Union

Opinion
The summary financial statements, which comprise the summary statement of financial position as at December 31, 2025, and the summary statements of comprehensive income and members' equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of Khalsa Credit Union (the "Credit Union") for the year ended December 31, 2025.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the criteria disclosed in Note 1.

Summary Financial Statements
The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Credit Union's audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon
We expressed an unmodified audit opinion on the audited financial statements in our report dated March 18, 2026.

Management's Responsibility for the Summary Financial Statements
Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 1.

Auditors' Responsibility
Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with the Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

BDO Canada LLP

Chartered Professional Accountants

Salmon Arm, British Columbia
March 18, 2026

Khalsa Credit Union

Summary Financial Statements

Statement of Financial Position

As at December 31	2025	2024
Assets		
Cash	$ 74,827,280	$ 39,364,803
Investments	87,753,313	79,995,552
Member loans	749,546,240	690,783,701
Derivative financial asset	47,745	40,438
Property and equipment	7,074,066	6,987,711
Investment property	2,004,320	2,046,387
Other assets	1,159,648	1,753,703
	$ 922,412,612	$ 820,972,295
Liabilities and Members' Equity		
Accounts payable and accrued liabilities	$ 1,572,980	$ 2,132,830
Member deposits	851,239,186	755,106,857
Derivative financial liability	128,659	515,825
Member shares	326,986	300,340
Members' equity	69,144,801	62,916,443
	$ 922,412,612	$ 820,972,295

Statement of Comprehensive Income and Members' Equity

For the year ended December 31	2025	2024
Financial income	$ 44,324,210	$ 44,317,620
Financial expense	25,084,462	28,471,645
Financial margin	19,239,748	15,845,975
Other income	2,805,460	2,853,944
	22,045,208	18,699,919
Operating expenses		
Employee salaries and benefits	7,510,890	7,027,236
General operating and administrative	5,450,338	4,581,199
Other	1,724,336	1,415,532
	14,685,564	13,023,967
Income before income taxes	7,359,644	5,675,952
Income taxes	1,188,319	548,401
Net income for the year	6,171,325	5,127,551
Members' equity, beginning of year	62,916,443	56,682,629
Distributions to members	(330,000)	(330,000)
Net issuance of members' shares	184,024	266,912
Net comprehensive gain (loss)	203,009	1,169,351
Members' equity, end of year	$ 69,144,801	$ 62,916,443

Statement of Cash Flows

For the year ended December 31	2025	2024
Cash flows from operating activities	$ 43,679,430	$ (20,375,668)
Cash flows from investing activities	(7,992,655)	11,586,823
Cash flows from financing activities	(224,298)	(150,277)
Net increase in cash	35,462,477	(8,939,122)
Cash at beginning of year	39,364,803	48,303,925
Cash at end of year	$ 74,827,280	$ 39,364,803

Signed by:

Chair of the Board

Signed by:

Chair of the Audit Committee

1. Basis of Presentation

These summary consolidated financial statements have been prepared in accordance with Section 128(4) of the Financial Institutions Act and are derived from the complete audited consolidated financial statements of Khalsa Credit Union (the "Credit Union"), prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), as at and for the year ended December 31, 2025. Readers are cautioned that these summary consolidated financial statements do not include all the disclosures necessary for complete and fair presentation. Complete audited consolidated financial statements for the year ended December 31, 2025, together with the auditors’ report thereon, were authorized for issue by the Credit Union’s Board of Directors on March 18, 2026 and can be obtained at any of the Credit Union’s branches.

2. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.