Signal49 Research

Consolidated financial statements
May 31, 2026



Shape the future
with confidence

Management's responsibility for financial reporting

The consolidated financial statements have been prepared by management in accordance with accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has ensured that the consolidated financial statements are presented fairly in all material respects. The financial information presented elsewhere in the Annual Report is consistent with that in the consolidated financial statements.

Signal49 Research [the "Corporation"] maintains adequate systems of internal accounting and administrative controls consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that assets are appropriately accounted for and adequately safeguarded.

Through its Finance and Audit Committee, the Board of Directors [the "Board"] of the Corporation is responsible for reviewing and approving the consolidated financial statements and ensures management fulfills its responsibilities for financial reporting.

The Finance and Audit Committee is appointed by the Board and is composed of directors who are not employees of the Corporation. The Finance and Audit Committee meets periodically with management and with external auditors to discuss internal controls, auditing matters and financial and reporting issues to satisfy itself that each party is properly discharging its responsibilities. The Finance and Audit Committee reviews the consolidated financial statements and the external auditor's report and also considers the engagement or reappointment of the external auditors. The Finance and Audit Committee considers its findings when approving the consolidated financial statements for issuance.

The consolidated financial statements have been audited by Ernst & Young LLP, the external auditor, in accordance with Canadian auditing standards. Ernst & Young LLP has full and free access to the Finance and Audit Committee.



Susan Black
President and Chief Executive Officer



Elena Bowes
Chief Financial Officer

October 8, 2026

Independent auditor's report

To the Members of the Board of Directors
Signal49 Research

Opinion

We have audited the consolidated financial statements of **Signal49 Research** [the "Corporation"], which comprise the consolidated statement of financial position as at May 31, 2026, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at May 31, 2026, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 consolidated financial statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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 these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Corporation'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 Corporation'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 consolidated 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

Ernst & Young LLP

Ottawa, Canada
October 8, 2026

Chartered Professional Accountants
Licensed Public Accountants

Signal49 Research

Consolidated statement of financial position

[expressed in thousands of dollars]

As at May 31

	2026 $	2025 $
Assets		
Current		
Cash	**1,666**	4,074
Accounts receivable	**1,387**	1,515
Investments, at fair value *[note 3]*	**12,523**	11,438
Prepaid expenses	**682**	640
Other current asset *[note 5]*	**1,708**	1,895
Total current assets	**17,966**	19,562
Tangible capital assets and intangible assets, net *[note 4]*	**3,202**	3,297
Goodwill *[note 7]*	**498**	498
	21,666	23,357
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	**2,066**	1,086
Deferred revenue *[note 6]*	**4,327**	4,697
Current portion of deferred purchase consideration *[note 7]*	**267**	267
Total current liabilities	**6,660**	6,050
Deferred purchase consideration *[note 7]*	**467**	387
Total liabilities	**7,127**	6,437
Commitments *[note 8]*		
Net assets		
Unrestricted	**14,539**	16,920
Total net assets	**14,539**	16,920
	21,666	23,357

See accompanying notes

On behalf of the Board:

Director

Director

Signal49 Research

Consolidated statement of operations

[expressed in thousands of dollars]

Year ended May 31

	2026	2025
	$	$
Revenue		
Research	**13,403**	13,781
Publications	**6,340**	5,328
Councils	**3,088**	3,127
Other convening	**182**	409
	23,013	22,645
Expenses		
Salaries and benefits	**20,508**	18,012
Professional services and consultants	**2,864**	2,462
Travel and meetings	**1,094**	987
General and administrative	**1,079**	906
Amortization *[note 4]*	**875**	637
Marketing	**95**	118
	26,515	23,122
Deficiency of revenue over expenses before the undernoted items	**(3,502)**	(477)
Other income (expenses)		
Interest and dividend income	**338**	1,873
Unrealized gain (loss) on investments	**783**	(505)
	1,121	1,368
Excess (deficiency) of revenue over expenses for the year	**(2,381)**	891

See accompanying notes

Signal49 Research

Consolidated statement of changes in net assets

[expressed in thousands of dollars]

Year ended May 31

	2026		2025
	Unrestricted	**Total**	**Total**
	$	$	$
Net assets, beginning of year	**16,920**	**16,920**	16,029
Excess (deficiency) of revenue over expenses for the year	**(2,381)**	**(2,381)**	891
Net assets, end of year	**14,539**	**14,539**	16,920

See accompanying notes

Signal49 Research

Consolidated statement of cash flows

[expressed in thousands of dollars]

Year ended May 31

	2026 $	2025 $
Operating activities		
Excess (deficiency) of revenue over expenses for the year	**(2,381)**	891
Add (deduct) items not involving cash		
Unrealized loss (gain) on investments	**(783)**	505
Unrealized loss on deferred contingent consideration	**31**	—
Amortization	**875**	637
	(2,258)	2,033
Net change in non-cash working capital balances related to operations	**932**	(2,680)
Cash used in operating activities	**(1,326)**	(647)
Investing activities		
Purchase of investments	**(2,165)**	(6,498)
Sale of investments	**1,863**	6,809
Consideration paid in relation to the Vicinity Jobs Inc. business combination	**—**	(939)
Purchase of tangible capital assets and intangible assets	**(780)**	(937)
Cash used in investing activities	**(1,082)**	(1,565)
Net decrease in cash during the year	**(2,408)**	(2,212)
Cash, beginning of year	**4,074**	6,286
Cash, end of year	**1,666**	4,074

See accompanying notes

Signal49 Research

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

1. Incorporation and objectives

Signal49 Research [the "Corporation"] is incorporated under the name AERIC Inc. and under the *Canada Not-for-profit Corporations Act*. It is a corporation without share capital and qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) of the *Income Tax Act* (Canada). Effective January 26, 2026, the Corporation began operating under the registered trade name Signal49 Research. Prior to this date, the Corporation operated publicly as The Conference Board of Canada. The underlying legal corporate status, structures, assets, liabilities and operations of the entity remain unchanged. An annual license agreement with The Conference Board, Inc. previously governed the use of the name The Conference Board of Canada, which was terminated effective May 13, 2026.

The objectives of the Corporation are exclusively charitable, scientific and educational as follows:

- To conduct objective scientific research and investigation in the fields of business, economics and public affairs and to make available, through periodicals and other publications, the information resulting from such activities to its members and to other persons, firms, corporations, associations, educational and other institutions, the federal and provincial governments of Canada and any department, bureau or agency thereof, and to the general public;
- To assemble, analyze and disseminate, on a non-political basis, objective information in regard to economic conditions and management experience in Canada and other countries;
- To conduct educational and scientific conferences of executives, professional specialists and others for discussion of economic, business and public affairs; and
- To contribute to the educational and professional training of executives, and in general to encourage and promote the sound development of Canadian industries.

2. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook – Accounting*.

Basis of consolidation

The consolidated financial statements include the accounts of the Corporation and NAERIC Centre for International Studies ["NAERIC"], also a not-for-profit organization. All significant intercompany transactions and balances are eliminated upon consolidation. There were no intercompany transactions or balances in NAERIC during the years covered by these consolidated financial statements. Subsequent to year-end, on June 10, 2026, NAERIC was formally dissolved. The dissolution had no financial impact on the financial position or results of operations of the Corporation.

Notes to consolidated financial statements

[expressed in thousands of dollars]

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Revenue recognition

Research and international

Revenue is recognized over time based on the nature of the underlying contract:

Fixed price contracts are recognized using the estimated percentage of completion method, which uses the actual costs incurred and the estimated costs to complete. Earned revenue recognized using the percentage of completion method, that has not yet been billed, is included in other current assets.

Non-fixed price contracts are recognized as time and materials are incurred, using rates identified in the contract.

Publications and councils

Subscription and membership fees are prorated over the life of the subscription period.

Other convening

Revenue is recognized for fee-paid services for other convening, consisting of conferences and educational courses, based on when the related service is provided.

Investment income

Investment income, which is recorded on the accrual basis, includes interest income, dividend income, realized gains or losses on sale of investments and change in unrealized gains or losses on investments.

Deferred revenue

Billings in excess of revenue recognized for research, publications, councils and other convening are recorded as deferred revenue and recognized as services are subsequently provided.

Donations

The Corporation follows the deferral method of accounting for contributions. Unrestricted donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Tangible capital assets and intangible assets

Tangible capital assets and intangible assets are recorded at cost. Amortization is calculated using the straight-line method. The estimated useful lives of the assets are as follows:

Tangible capital assets

Computer hardware	3 years

Intangible assets

Software	2 years
System technology [including intellectual property]	5 years
Customer contracts and relationships	5 years

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

The development costs of the internally generated system technology directly attributable to the project and having future economic benefits have been capitalized as incurred, and amortization commences in the period that the asset becomes operational.

In the prior year, the Corporation completed a business combination that included identifiable intangible assets consisting of customer contracts and relationships and intellectual property. These intangible assets were recognized at fair value at the acquisition date and are being amortized on a straight-line basis over their estimated useful lives, which reflect the periods over which the economic benefits are expected to be realized.

When a tangible capital asset or an intangible asset no longer contributes to the Corporation’s ability to provide services, its carrying amount is written down to its residual value.

Business combinations and goodwill

Consideration transferred to acquire businesses is measured at fair value on the acquisition date. Any deferred or contingent consideration to be transferred is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the deferred or contingent consideration are recognized in other income.

Goodwill is not amortized and is rather tested for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds the fair value. When the carrying value amount exceeds its fair value, an impairment loss is recognized in the amount equal to the excess. An impairment loss is not subsequently reversed.

Accrued liabilities

Accrued liabilities include provisions, which are recognized when the Corporation has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the consolidated statement of operations.

Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets and intangible assets and obligations related to employee future benefits. Actual results could differ from those estimates.

Financial instruments

Cash and investments are measured at fair value. Transaction costs incurred on the acquisition of financial instruments that are measured subsequently at fair value are expensed as incurred. Changes in fair value are recognized in the consolidated statement of operations.

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

Accounts receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

Contingent consideration arising from business combinations is recorded initially at the acquisition-date fair value. Contingent consideration classified as an asset or a liability is remeasured at fair value when the contingency is resolved, with the gain or loss recognized in other income or expenses.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at year-end. Operating revenue and expenses are translated at exchange rates in effect on the date of the transaction. Gains or losses arising from these translations are included in income, except to the extent that they relate to investments, in which case they are recognized in the same manner as investment income.

Cash

Cash consists of cash on deposit for day-to-day operational purposes. Cash and investments held for investing rather than operational purposes are classified as investments.

3. Investments

Investments consist of the following:

	2026		2025	
	Fair value	**Cost**	**Fair value**	**Cost**
	$	$	$	$
Cash and guaranteed investment certificates	**213**	**214**	71	71
Canadian equities	**2,054**	**1,358**	1,688	1,296
US equities and other	**3,357**	**2,458**	2,903	2,459
Bonds	**6,899**	**6,757**	6,776	6,659
	12,523	**10,787**	11,438	10,485

The Corporation manages its investment portfolio according to a Statement of Investment Policy, which has established target asset mixes approved by the Board.

The bonds bear a yield to maturity from 0% to 6.34% [2025 – 0% to 6.34%] maturing between June 2026 and April 2078 [2025 – June 2025 and April 2078].

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

Market risk

Market risk comprises interest rate risk, price risk and foreign currency risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the investments. As the Corporation's interest-bearing investments do not generate significant amounts of interest, changes in market interest rates do not have a significant direct effect on the Corporation's income.

Price risk

Price risk arises as a result of trading equity securities and bonds. Fluctuation in the price risk exposes the Corporation to a risk of loss. The Corporation mitigates this risk through controls to monitor and limit concentration levels.

Foreign currency risk

Foreign currency risk arises from gains and losses due to fluctuation in foreign currency exchange rates on the Corporation's foreign equity securities. Based on the target asset mix as per internal investment policy, foreign equities represent 27% [2025 – 25%] of the overall investment portfolio. As the Corporation closely monitors its investment mix, the changes in foreign currency rates do not have a significant effect on the Corporation's results.

Liquidity risk

Liquidity risk arises as a result of not being able to meet the cash requirements in a timely and cost-effective manner. The Corporation matches the timing of investment maturities to projected cash outflows and, as such, liquidity does not present a significant financial risk to the Corporation.

4. Tangible capital assets and intangible assets

Tangible capital assets and intangible assets consist of the following:

	2026			2025
	Cost	**Accumulated amortization**	**Net book value**	**Net book value**
	$	$	$	$
Tangible capital assets				
Computer hardware	**1,699**	**1,500**	**199**	137
Intangible assets				
Software	**514**	**360**	**154**	10
System technology	**5,978**	**4,188**	**1,790**	1,823
Intellectual property	**700**	**150**	**550**	688
Customer relationships and contracts	**650**	**141**	**509**	639
	7,842	**4,839**	**3,003**	3,160
	9,541	**6,339**	**3,202**	3,297

Amortization of $875 was charged to the consolidated statement of operations during the year [2025 – $637].

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

5. Other current asset

The other current asset consists of the following:

	2026 $	2025 $
Research	**1,708**	1,895

The other current asset represents earned revenue that is not yet billed.

6. Deferred revenue

Deferred revenue consists of the following:

	2026 $	2025 $
Research	**558**	451
Publications	**2,591**	2,914
Councils	**1,177**	1,329
Other convening	**1**	3
	4,327	4,697

7. Business combinations and goodwill

On May 1, 2025, the Corporation acquired certain assets and assumed certain liabilities of Vicinity Jobs Inc., a company engaged in the business of providing data, labour market solutions, and consulting services located in British Columbia, Canada, for a total purchase price of $1,500, net of working capital adjustments. The results relating to the acquired assets have been included in the consolidated financial statements since the acquisition date.

The purchase consideration included a cash payment of $939 and a deferred, non-interest-bearing promissory note of $800, contingent on the business generating annual revenue targets over the next three years and payable in three equal annual instalments of $267. The contingent purchase consideration was recorded at $654 on May 1, 2025, representing the present value of expected future payments using an imputed interest rate of 7.5%. Interest expense of $49 and revaluation loss of $31 was charged to the consolidated statement of operations during the year [2025 – $4 and nil, respectively].

The goodwill of $498 recognized reflects the value of expected synergies arising from the acquisition and the expertise and reputation of the assembled workforce acquired. No impairment losses were recognized during the year [2025 – nil].

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2026

8. Commitments

The Corporation has committed $744 to the modernization of its eData platform, $572 of which will be spent in the upcoming fiscal year with the remaining $172 to be spent in fiscal year 2028.