

Attachment 2 – Build Toronto Inc. 2025 Annual Report

It is our pleasure to present the 2025 Annual Report.

Under CreateTO's management, Build Toronto Inc. (Build Toronto) continues to support CreateTO to develop City buildings and lands for municipal purposes and deliver real estate solutions to advance City Council's key public policy goals and meet the program needs of City Divisions, Agencies and Corporations (DACs). Accordingly, the organization has shifted from a historical emphasis on development income generation to a mission-driven model that prioritizes the delivery of affordable housing and other City-building initiatives through strategic real estate transactions.

Build Toronto is leveraged by CreateTO to procure services that advance due diligence and construction activities to support City-led initiatives. Given the City-building nature of this work, Build Toronto advances this work on a cost recovery basis. Accordingly, fluctuations in financial results, including net losses in certain years, are expected and reflect the organization's role in advancing City priorities.

Under the leadership and guidance of our Board of Directors, Build Toronto, through CreateTO, has brought stakeholders, partners and community members together to advance a number of key City-building initiatives.

Financial Summary & Key Transactions

Build Toronto's 2025 Statements were audited by KPMG LLP and received an unqualified opinion stating that the financial statements present fairly, in all material respects the consolidated financial position of Build Toronto as at December 31, 2025, and its consolidated financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRS).

For the year ended December 31, 2025, Build Toronto reported a net loss and comprehensive loss of \$3.30 million, compared to net income of \$1.23 million in 2024. The year-over-year variance was primarily attributable to a \$1.51 million write-off of a density bonus receivable and related accrued interest, which was re-invested to support the delivery of affordable housing, as well as lower interest income resulting from declining interest rates and lower average monthly cash balances. The decrease in average monthly cash balances in 2025 are the result of a one-time dividend payment of \$30 million in 2024 and a strategic asset acquisition of \$10 million in the second half of 2024.

As at December 31, 2025, Build Toronto's total assets were \$244.49 million, representing a modest decrease of \$3.64 million from 2024. This change primarily reflects the write-off of a density bonus receivable and associated accrued interest, along with timing of related-party

receivables. Total liabilities were \$3.12 million at year end, an increase of \$0.10 million over 2024. This change is attributed to the timing of costs incurred to advance the delivery of affordable housing projects.

Looking ahead, Build Toronto will continue to support CreateTO and the City by delivering real estate solutions that advance housing delivery, modernize critical infrastructure, and meet the City's long-term needs.

Yours truly,

(Signed by) "Vic Gupta"

Vic Gupta
Chief Executive Officer, CreateTO