Financial statements of
Montreal Heart Institute Foundation

March 31, 2026

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Independent Auditor's Report

To the Members of the
Montreal Heart Institute Foundation

Opinion

We have audited the financial statements of the Montreal Heart Institute Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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

Basis for Opinion

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

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 ASNPO, 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 GAAS 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 financial statements.

As part of an audit in accordance with Canadian GAAS, 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 Foundation'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 Foundation'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 Foundation 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.

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.

Deloitte LLP[1]

June 10, 2026

[1] CPA auditor, public accountancy permit No. A131844

Montreal Heart Institute Foundation

Statement of operations and changes in fund balances

Year ended March 31, 2026

	Notes	General Fund 2026	General Fund 2025	Endowment Fund 2026	Endowment Fund 2025	Other Funds 2026	Other Funds 2025	Total 2026	Total 2025
		$	$	**$**	$	**$**	$	**$**	$
Revenue									
Donations		**4,086,811**	3,979,434	**157,006**	110,339	**9,482,000**	9,963,513	**13,725,817**	14,053,286
Bequests		**31,857,128**	10,725,512	**—**	—	**239,880**	2,269,006	**32,097,008**	12,994,518
Interest and dividends	3	**3,766,729**	2,991,390	**—**	—	**69,302**	503,805	**3,836,031**	3,495,195
Gain (loss) on disposal of investments	3	**5,595,517**	6,568,721	**—**	—	**327,169**	(553)	**5,922,686**	6,568,168
Change in the unrealized fair value of investments	3	**5,015,844**	1,057,016	**—**	—	**(50,126)**	76,588	**4,965,718**	1,133,604
Fundraising activities		**2,469,843**	2,168,887	**—**	—	**121,302**	107,500	**2,591,145**	2,276,387
		52,791,872	27,490,960	**157,006**	110,339	**10,189,527**	12,919,859	**63,138,405**	40,512,158
Fundraising activities									
Direct costs of fundraising activities		**762,120**	853,644	**—**	—	**—**	—	**762,120**	853,644
Indirect costs of donations and fundraising activities		**1,729,427**	1,674,970	**—**	—	**—**	—	**1,729,427**	1,674,970
Operational subtotal		**50,300,325**	24,962,346	**157,006**	110,339	**10,189,527**	12,919,859	**60,646,858**	37,992,544
Expenses									
Salaries, employee benefits and other compensation		**3,649,788**	3,613,138	**—**	—	**—**	—	**3,649,788**	3,613,138
Other operating charges		**763,474**	600,252	**—**	—	**—**	—	**763,474**	600,252
		4,413,262	4,213,390	**—**	—	**—**	—	**4,413,262**	4,213,390
Excess of revenue over expenses before the contributions		**45,887,063**	20,748,956	**157,006**	110,339	**10,189,527**	12,919,859	**56,233,596**	33,779,154
Contributions to the Montreal Heart Institute	6	**17,982,790**	21,618,803	**—**	—	**11,269,705**	12,438,886	**29,252,495**	34,057,689
Excess (deficiency) of revenue over expenses		**27,904,273**	(869,847)	**157,006**	110,339	**(1,080,178)**	480,973	**26,981,101**	(278,535)
Fund balances, beginning of year		**4,325,352**	6,880,995	**100,000,000**	98,203,865	**31,229,806**	30,748,833	**135,555,158**	135,833,693
Transfers	7 and 8	**(983,649)**	(1,685,796)	**—**	1,685,796	**983,649**	—	**—**	—
Fund balances, end of year		**31,245,976**	4,325,352	**100,157,006***	100,000,000*	**31,133,277****	31,229,806**	**162,536,259**	135,555,158

* See Note 7

** See Note 8

The accompanying notes are an integral part of the financial statements.

Montreal Heart Institute Foundation

Statement of financial position

Year ended March 31, 2026

	Notes	General Fund 2026	Endowment Fund 2026	Other Funds 2026	Total 2026	Total 2025
		$	$	$	$	$
Assets						
Investments	3	**2,085,164**	**118,441,445**	**29,654,223**	**150,180,832**	140,988,818
Cash		**19,367,992**	**—**	**119,888**	**19,487,880**	1,592,423
Interfunds		**16,925,273***	**—**	**1,359,166***	**—**	—
Accounts receivable		**434,770**	**—**	**—**	**434,770**	958,351
Contributions paid in advance	4	**3,626,465**	**—**	**—**	**3,626,465**	
Other assets		**630,845**	**—**	**—**	**630,845**	840,572
		43,070,509	**118,441,445**	**31,133,277**	**174,360,792**	144,380,164
Liabilities						
Accounts payable and accrued liabilities	11	**11,824,533**	**—**	**—**	**11,824,533**	8,825,006
Interfunds		**—**	**18,284,439***	**—**	**—**	—
		11,824,533	**18,284,439**	**—**	**11,824,533**	8,825,006
Commitments	9					
Fund balances						
Externally restricted	7 and 8	**—**	**13,768,284**	**30,149,628**	**43,917,912**	44,841,084
Internally restricted	7 and 8	**—**	**86,388,722**	**983,649**	**87,372,371**	86,388,722
Unrestricted		**31,245,976**	**—**	**—**	**31,245,976**	4,325,352
		31,245,976	**100,157,006**	**31,133,277**	**162,536,259**	135,555,158
		43,070,509	**118,441,445**	**31,133,277**	**174,360,792**	144,380,164

* These items are not reported in the total column because they offset each other.

The accompanying notes are an integral part of the financial statements.

Approved by the Board

____, Director

____, Director

Montreal Heart Institute Foundation
Statement of cash flows
Year ended March 31, 2026

	2026	2025
	$	$
Operating activities		
Excess (deficiency) of revenue over expenses	**26,981,101**	(278,535)
Adjustments for		
Donations in shares	**(5,471,302)**	(3,024,919)
Gain on disposal of investments	**(5,922,686)**	(6,568,168)
Change in the unrealized fair value of investments	**(4,965,718)**	(1,133,604)
	10,621,395	(11,005,226)
Net changes in non-cash operating working capital items	**3 732 835**	(838 048)
	14,354,230	(11,843,274)
Investing activities		
Net change in investments	**7,167,692**	11,393,805
Contributions paid in advance	**(3,626,465)**	—
	3 541 227	11,393,805
Net increase (decrease) in cash	**17,895,457**	(449,469)
Cash, beginning of year	**1,592,423**	2,041,892
Cash, end of year	**19,487,880**	1,592,423

The accompanying notes are an integral part of the financial statements.

1. Status and nature of activities

The Montreal Heart Institute Foundation (the "Foundation") incorporated under Part III of the *Companies Act* (Québec) is a charitable organization within the meaning of the *Income Tax Act* created to collect and administer funds to support research, care, teaching, prevention, rehabilitation and the assessment of new technologies at the Montreal Heart Institute.

2. Accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund accounting

The Foundation uses the restricted fund method to account for its activities.

(a) General Fund

The General Fund comprises unrestricted donations, bequests and other revenue, unrestricted investment income, as well as this fund's administrative and management expenses. With the exception of contributions paid by the Other Funds, contributions paid to the Montreal Heart Institute are also charged to this fund. This fund reflects the unrestricted resources.

(b) Endowment Fund

The Endowment Fund is allocated as follows:

Externally restricted amounts – Endowment

Comprises donations that, based on the donors' instructions, must be held in perpetuity.

Internally restricted amounts – Other capital

Results from transfers from the General Fund and Other Funds. This capital, which is internally restricted, may not be used without obtaining prior consent from the board of directors.

(c) Other Funds

Other Funds are made up of the Bourses du Coeur of the Elina & Giuseppe Borsellino Foundation (the "Bourses du Coeur Fund"), the Heart Beat for the Future campaign Fund (Battre au Rythme du Monde, BRM), and the Dedicated donations Fund of the annual campaign. These funds include donations that must be allocated to special projects (the expansion and construction of specific facilities such as laboratories, the purchase of high-tech equipment and the creation of bursaries for the training of specialists), donations dedicated to purposes specified by the donor, restrictions by the Board of Directors, as well as investment income from resources attached to these funds.

Revenue recognition

(a) Donation and bequests

Donations and bequests are recorded in the year they are received. Pledges are disclosed in a note to the financial statements and recorded in the statement of operations and changes in fund balances when they are received.

2. Accounting policies (continued)

Revenue recognition (continued)

(b) Gifts in kind

Gifts in kind are measured at fair value and recognized in the year they are received.

(c) Investment income

Investment income from General Fund resources is recognized at the time it is earned. Investment income from the resources of the Endowment Fund and Other Funds is recognized in the General Fund or Other Funds at the time it is earned, depending on the nature of the allocations stipulated by donors.

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Financial instruments originated or exchanged in related party transactions are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether or not the instrument has repayment terms. If it does have repayment terms, cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, cost is determined using the consideration transferred or received by the Foundation as part of the transaction.

Subsequent measurement

All financial instruments are measured at amortized cost except for investments, which are measured at fair value at the statement of financial position date. The fair value of mutual funds is measured using the fair value of the units established by the fund manager. Fluctuations in fair value, which include interest earned, interest accrued, gains and losses realized upon disposal, and unrealized gains and losses, are included in the revenue of the statement of operations and changes in fund balances.

Transaction costs

Transaction costs related to financial instruments measured at fair value are expensed as incurred.

Impairment

With respect to financial assets measured at amortized cost, the Foundation recognizes in the statement of operations and changes in fund balances an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in the statement of operations and changes in fund balances in the period the reversal occurs.

Foreign currency translation

Foreign currency transactions are translated into Canadian dollars. Monetary assets and liabilities are translated at the exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. Revenue and expenses are translated at the day of transaction rate.

Gains and losses on these translations are included in the change in the unrealized fair value of investments.

2. Accounting policies (continued)

Contributions to the Montreal Heart Institute

Contributions granted to the Montreal Heart Institute are recorded in the year that they are paid or become payable. Any excess of approved amounts over paid or payable amounts is reported as a commitment in a note to the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the period covered by the financial statements. Actual results could differ from these estimates.

3. Investments

	2026	2025
	$	$
General Fund		
Cash with trustee	**16,140**	98,646
Short-term mutual funds	**1,886,001**	3,684
Mutual funds of Canadian bonds	**181,868**	180,394
Shares	**1,155**	3,218
	2,085,164	285,942
Endowment Fund		
Cash with trustee	**106,622**	73,202
Treasury bills and other discount securities, maturing through July 2026 (June 2025 in 2025)	**2,017,809**	1,476,963
Mutual funds of Canadian bonds	**30,316,469**	30,891,897
Canadian shares and mutual funds of Canadian equities	**34,174,682**	27,436,911
Foreign shares and mutual funds of foreign equities	**51,825,863**	53,968,061
	118,441,445	113,847,034
Other Funds		
Cash with trustee	**21,194**	46,745
Treasury bills and other discount securities, maturing through July 2026 (June 2025 in 2025)	**670,998**	490,588
Mutual funds of Canadian bonds	**15,461,275**	15,218,300
Canadian equities	**7,199,263**	5,098,103
Foreign equities and mutual funds of foreign equities	**6,301,493**	6,002,106
	29,654,223	26,855,842
Total of the funds	**150,180,832**	140,988,818

The General Fund's interest and dividends and gain on disposal of investments include revenue from resources held as endowments and other funds in an amount of respectively 7,828,265$ and $1,191,617 ($9,761,825 and nil in 2025), after deduction of management fees of $587,483 and $96,700 ($669,240 in 2025). The General Fund's change in the unrealized fair value of investments also includes the portion of the unrealized gain from resources held as endowments and other funds in an amount of respectively $3,766,816 and $1,252,722 (unrealized loss of $954,703 and nil in 2025).

4. Contributions paid in advance

During the year, the Foundation paid contributions totaling $3,626,464 to the Montreal Heart Institute as advances on contributions for the next 10 years.

These advances bear interest at an annual rate of 3.94%. The interest will be applied to reduce the contributions that the Foundation plans to pay to the Montreal Heart Institute in future years, which are determined annually based on the Montreal Heart Institute's activities and needs.

5. Pledges receivable

As at March 31, 2026, the Foundation held pledges for all the funds totalling $ 20,722,997 and running through 2040 as follows:

	$
2027	4,664,760
2028	7,308,237
2029	2,475,000
2030 and thereafter	6,275,000

6. Contributions to the Montreal Heart Institute

	2026	2025
	$	$
General Fund		
Research	**14,391,361**	17,105,943
Medical care and equipment (Note 11)	**2,428,632**	3,253,552
Education	**51,181**	936,076
Prevention	**1,111,616**	323,232
	17,982,790	21,618,803
Other Funds		
Research	**8,024,002**	9,953,013
Prevention	**1,595,307**	1,596,928
Medical care and equipment (Note 11)	**350,412**	119,718
Education	**1,224,984**	769,227
Grants	**75,000**	–
	11,269,705	12,438,886
	29,252,495	34,057,689

7. Balance of Endowment Fund

	2026	2025
	$	$
Consisting of:		
Externally restricted amounts	**13,768,284**	13,611,278
Internally restricted amounts	**86,388,722**	86,388,722
	100,157,006	100,000,000

* During the year 2025, the board of Directors authorized a transfer of $1,685,796 from the General Fund to the Endowment Fund.

8. Other Funds balances

	Bourses du Cœur Fund	**BRM campaign Fund**	**Dedicated donations Funds**	**2026 Total**	2025 Total
	$	**$**	**$**	**$**	$
Revenue					
Donations	**60 000**	**—**	**9 422 000**	**9 482 000**	9,963,513
Bequests	**—**	**—**	**239 880**	**239 880**	2,269,006
Interest and dividends	**69 302**	**—**	**—**	**69 302**	503,805
Gain (loss) on disposal of investments	**(274)**	**166 546**	**160 897**	**327 169**	(553)
Change in the unrealized fair value of investments	**(50 126)**	**—**	**—**	**(50 126)**	76,588
Fundraising activities	**—**	**—**	**121 302**	**121 302**	107,500
Operational subtotal	**78 902**	**166 546**	**9 944 079**	**10 189 527**	12,919,859
Contributions to the Montreal Heart Institute	**75 000**	**257 626**	**10 937 079**	**11 269 705**	12,438,886
(Deficiency) excess of revenue over expenses	**3 902**	**(91 080)**	**(993 000)**	**(1 080 178)**	480,973
Balances, beginning of year	**2 518 207**	**3 178 888**	**25 532 711**	**31 229 806**	30,748,833
Transfers from General Fund	**96 624**	**—**	**887 025**	**983 649**	—
Balances, end of year	**2 618 733**	**3 087 808**	**25 426 736**	**31 133 277**	31,229,806

* During the 2026 fiscal year, the Board of Directors authorized a transfer of $983,649 from the General Fund to the Other Funds.

9. Commitments

The Foundation is committed to disbursing a total of $32,668,540 to the Montreal Heart Institute ($6,604,604 by the General Fund and $26,063,936 by the Other Funds).

10. Financial instruments

Due to its financial assets, the Foundation is exposed to the following risks related to the use of financial instruments:

Market risk

Market risk is the risk that the fair value or future cash flows of the Foundation's financial instruments will fluctuate due to changes in market prices. Market risk is comprised of interest rate risk, other price risk, and currency risk. The Foundation is exposed to these risks, as described below.

(a) Interest rate risk

Investments in Treasury bills and other discount instruments bear interest at fixed rates. Consequently, a change in market interest rate will have an impact on the fair value of these investments. The Foundation is also indirectly exposed to this risk through its investments in fixed income mutual funds.

(b) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments in shares and mutual funds for which the value fluctuates with the quoted market price.

(c) Currency risk

The Foundation holds cash and investments denominated in U.S. dollars amounting to CA$17,731 and CA$12,934,434, respectively (nil in cash and CA$13,849,047 in investments as at December 31, 2025). As a result, the Foundation is exposed to foreign currency fluctuations.

Credit risk

Credit risk is attributable to the fact that the Foundation invests in fixed income funds which hold bonds and debentures. Therefore, there is a credit risk that the bond or debenture issuers will be unable to pay their obligations towards a fixed income fund, and this will have an impact on the assets of the Foundation.

11. Related party transactions

Transactions conducted with the Montreal Heart Institute, which is a related party, as well as related accounts receivable and accounts payable, are presented separately in the financial statements and in the notes to the financial statements, with the exception of an amount of 219,397$ ($250,915 in 2025) included in *Accounts receivable*, and an amount of $10,654,119 ($7,734,581 in 2025) included in *Accounts payable and accrued liabilities*.

Equipment in an amount of $2,608,463 ($2,986,375 in 2025), acquired by the Foundation during the year and remaining its property, was subject to a bargain rent with the Montreal Heart Institute over the useful life of the equipment. This equipment is presented, net of the bargain rent, as equipment contributions.

These transactions were conducted in the normal course of operations and were recorded at the exchange amount.