



# BUILT FOR **SASKATCHEWAN**

# TABLE OF CONTENTS

<b>1</b>	<b>Year in Review</b>
<b>2</b>	<b>Letter of Transmittal</b>
<b>3</b>	<b>President’s Message</b>
3	Built for Saskatchewan
4	Delivering for Saskatchewan
<b>5</b>	<b>Sharing Our Stories</b>
5	SaskTel Launches Remote Water Meter Monitoring Solution
6	SaskTel Brings a Leading Mental Wellness App to Wireless Customers
7	2025 SaskTel Indigenous Youth Awards of Excellence
8	SaskTel Completes First Sale of New AI-Focused Service
<b>9</b>	<b>Community Impact</b>
9	Communities
10	People
11	Procurement
11	Environmental Sustainability
<b>13</b>	<b>Management’s Discussion and Analysis</b>
13	Introductions
13	Caution Regarding Forward-Looking Information
13	Our Business
15	Industry
17	Strategic Direction
18	Performance Management
25	Enterprise Risk Management
29	Operating Results
40	Material Accounting Policies, Estimates, And Judgments
40	Application Of Amendments To IFRS Accounting Standards
40	New Standards, Amendments To Standards And Interpretations Not Yet Adopted
41	Five-Year Record Of Service
44	Glossary
<b>47</b>	<b>Consolidated Financial Statements</b>
47	Management’s Responsibility For Financial Statements
48	Report of Management on Internal Control Over Financial Reporting
49	Independent Auditor’s Report
52	Consolidated Statement of Income and Other Comprehensive Loss
52	Consolidated Statement of Changes in Equity
53	Consolidated Statement of Financial Position
54	Consolidated Statement of Cash Flows
<b>55</b>	<b>Notes to Consolidated Financial Statements</b>
<b>91</b>	<b>Corporate Governance</b>
<b>92</b>	<b>Board of Directors</b>
<b>93</b>	<b>Executive Team</b>
<b>94</b>	<b>Contact Us</b>

# YEAR IN REVIEW

**\$1,398.0M**

REVENUE

**\$443.3M**

CAPITAL INVESTMENT

**\$104.7M**

NET INCOME

**690,618**  
Wireless Accesses  
(+1.2% growth)



**94%**  
5G Coverage

**235,532**  
*infiNET* Accesses  
(+12.2% growth)



**81%**  
Fibre Footprint



**\$3.2 million**  
Sponsorships

**1,122 contributions**  
to non-profit & charitable  
organizations in 264 communities

**\$186,000**  
SaskTel TelCare contributions  
across 47 Saskatchewan organizations

**69.2%**  
suppliers  
located in Saskatchewan

**91.1%**  
suppliers  
located in Canada



# 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 SaskTel for the fiscal year ending March 31, 2026, in accordance with *The Saskatchewan Telecommunications Holding Corporation Act*.

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,

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

**Honourable Jeremy Harrison**  
Minister Responsible for Saskatchewan Telecommunications

# PRESIDENT'S MESSAGE

## BUILT FOR SASKATCHEWAN

In a period of continued evolution across our industry, one thing remains constant: our commitment to the essential role we play in protecting Saskatchewan and supporting its long-term prosperity. Not only that, but our customers remain at the centre of everything we do. Throughout the 2025-26 fiscal year, SaskTel navigated both opportunity and complexity, remaining focused on fulfilling our purpose: **We enrich everyday life. We empower people, organizations, and communities to reach their full potential.**

At SaskTel, rapid technological advancement defines our work. As we continue to expand and strengthen connectivity across Saskatchewan, it is clear that the widespread use of cloud computing, the accelerating impact of artificial intelligence (AI), and the increasing adoption of automation signal a fundamental shift in how communications and technology services are delivered. These forces are shaping the future of our industry and reinforcing the importance of innovation, adaptability, and customer-focused service.

Through continued investments in cybersecurity and infrastructure, SaskTel is strengthening network resilience and reinforcing the security of the systems our customers rely on every day. Over the past year, we advanced our Rural Fibre Initiative and Rural 5G expansion projects, supporting Saskatchewan's digital foundation and positioning the province for a strong and sustainable economic future. Today's networks are no longer simply about speed or capacity – they are essential, secure infrastructure that supports economic growth, enables innovation, and ensures communities across the province can fully participate in an increasingly digital world.

Delivering this progress at scale requires discipline, long-term planning, and a commitment to follow through. Throughout the year, SaskTel executed one of the most significant capital programs in our history, with the majority of investments directed toward expanding and modernizing our 5G and fibre networks.

A core part of SaskTel's mandate is ensuring the benefits of modern connectivity reach every corner



of the province. Serving Saskatchewan means serving urban centres, rural communities, northern regions, and Indigenous communities alike. While much of this work takes place behind the scenes, its impact is increasingly visible as connectivity becomes more resilient, and future ready for Saskatchewan people.

Over the past year, this work included building new wireless sites, upgrading existing locations, and extending fibre infrastructure to underserved areas of the province.

We have made strong progress on our multi-year Rural Fibre Initiative, launching our *infiNET*™ service across dozens of communities. At the same time, SaskTel continued to advance the federally supported Aurora program, expanding both fibre and wireless services in northern and Indigenous communities. Together, these initiatives reflect our long standing commitment to reducing the digital divide and ensuring equitable access to strong, trusted, and reliable communications services.

As our networks and services continue to evolve, integrity and dependability remain at the core of everything we do. Customers rely on SaskTel to stay connected during moments that matter most and

maintaining that trust is essential as we modernize and grow. Delivering large scale infrastructure projects often requires navigating challenging conditions – from difficult terrain in the north to weather related disruptions – while maintaining consistent service. Throughout the year, our teams worked diligently to balance progress with reliability, ensuring change is managed thoughtfully and with customers' needs at the forefront.

## This is what it means to be built for Saskatchewan – investing with intention, for today's needs and tomorrow's opportunities.

During the year, SaskTel also continued to apply innovation in practical, meaningful ways that improved how we serve customers and support our people. We focused on using new technologies and data-driven insights to streamline processes, strengthen security, and enhance customer experiences across our organization. Innovation was applied with clear intent, enabling greater efficiency, responsiveness to evolving customer expectations, and increased operational resilience. By embedding innovation into day-to-day decision-making and encouraging new ways of thinking, we positioned SaskTel to deliver greater value today while remaining adaptable for the opportunities ahead.

### DELIVERING FOR SASKATCHEWAN

During the 2025 wildfire season, SaskTel stood with northern Saskatchewan communities by helping residents stay connected during evacuations, automatically waiving wireless data overage charges and crediting home internet, TV, and phone services for affected customers. We extended this support as long as communities remained under evacuation orders, reflecting our responsibility as a Crown corporation to show up for Saskatchewan people when it matters most.

That same commitment to supporting the people of Saskatchewan is reflected every day through the actions of our employees, whose adaptability, expertise, professionalism, and compassion bring our purpose to life. During the 2025-26 fiscal year, SaskTel provided

1,122 sponsorships totaling \$3.2M to non-profit and charitable organizations across communities throughout the province – strengthening local services, fostering connection, and helping build a more resilient Saskatchewan.

In addition to this total were contributions of \$186,000 for SaskTel TelCare, our employee giving program, where SaskTel matches fifty percent of all employee contributions.

This strong culture of giving was further demonstrated through our Connecting with Community Challenge, with the SaskTel Pioneers donating \$20,000 in support of the Saskatchewan Roughrider Foundation's Rider Reading program, advancing early literacy and family learning in Regina schools. We were proud to be recognized as one of Saskatchewan's Top Employers, Canada's Top Employers for Young People, Canada's Best Diversity Employers, and one of Canada's Greenest Employers by Mediacorp Canada Inc.

The achievements highlighted in this report are made possible by the dedication and expertise of our employees, leadership team, executive team, and Board of Directors. I am deeply grateful for their commitment, professionalism, and passion, which continue to drive our success. SaskTel remains focused on delivering for Saskatchewan, and I am confident that we have the right people, the right vision, and the discipline required to continue building for the province's future.

To our customers, thank you for the trust you place in SaskTel and for your continued support throughout the year. We remain committed to putting our customers' needs first as we continue to build trusted, innovative services that enrich everyday life for the people of Saskatchewan.

Sincerely,



**Charlene Gavel,**  
President and Chief Executive Officer

# SHARING OUR STORIES

## SASKTEL LAUNCHES REMOTE WATER METER MONITORING SOLUTION

Across Saskatchewan and beyond, communities are looking for practical ways to manage essential services while making the most of limited resources. In 2025 SaskTel responded with Remote Water Meter Monitoring, a solution that brings together connectivity, data, and local understanding to help communities modernize water management in a practical, affordable way.

The solution uses sensors that attach easily to existing water meters, a secure LoRaWAN (Long Range Wide Area Network) to transmit data, and a user-friendly dashboard that provides real time insight into water usage. Together, these elements help communities reduce manual meter reads, improve billing accuracy, and make faster, more informed decisions based on reliable data.

Momentum for the service accelerated this past year with six communities signing on, including a First Nation community and SaskTel's first out of province customer. This early adoption confirms that community size is not a barrier to value. Municipalities of all sizes benefit from lower labour requirements, better visibility into water usage, and earlier detection of leaks and irregular consumption.

"Communities of all sizes can find value in remote water meter reading. Successfully delivering for these communities shows that we are willing to invest our time, expertise and attention, and that the community is more than a market segment for us," said Randy Palazzo, Marketing Manager.

For SaskTel, Remote Water Meter Monitoring represents responsible, long-term growth. Agreements are structured to provide stable revenue over many years, while giving customers confidence that their investment will continue to deliver value. The model is repeatable and scalable, allowing SaskTel to support future communities efficiently and consistently.

The LoRaWAN that supports the solution also enables future Internet of Things (IoT) applications that matter to Saskatchewan, from agriculture to public safety. By investing in this capability, SaskTel is strengthening its role as a trusted partner for communities looking to adopt practical technology without added complexity.

This work reflects SaskTel's approach to innovation: focused on outcomes, grounded in local needs, and delivered with care for public resources. Through collaboration across business development, engineering, sales and support teams, SaskTel is applying its expertise to help communities operate more efficiently today while building resilient systems for the future.



*Randy Palazzo holding a water meter sensor and a LoRaWAN gateway.*

## SASKTEL BRINGS A LEADING MENTAL WELLNESS APP TO WIRELESS CUSTOMERS

We all feel it. The exhilarating pace of today's world can be electrifying and exciting. But it can also take a toll. In a world that has become equal parts hustle and bustle, SaskTel has a solution to help support the mental wellness of our customers re-enforcing SaskTel's commitment to the communities across the province.

It's called Calm. SaskTel and Lüm Mobile™, along with a leading mental health company known as Calm, are excited to provide our wireless business and consumer customers with free access to a Calm Premium membership. The membership offers a full suite of wellness resources designed to support mindfulness, relaxation, and mental well-being. This groundbreaking initiative is not only a first for SaskTel, but also for Calm in the Canadian market.

"This complimentary premium access to Calm is our way of providing our wireless customers with a tool that's designed to help improve their wellbeing," said Jonathan Struthers, Marketing Manager. "It's a unique and complimentary offering that adds value but also allows customers to find some peace of mind in their daily lives."

Calm offers hundreds of supportive tools like guided meditation, soundscapes, music and mindfulness exercises to help relieve stress and anxiety. Soothing Sleep Stories are narrated by well-known voices including actor Matthew McConaughey and singers Harry Styles and Camila Cabello. For general mental wellness, Calm offers practices for everyday mental health, and daily check-ins to promote self-awareness and an improved quality of life.

"SaskTel is known for initiatives such as our Phones for a Fresh Start program and Be Kind Online that are directly

aimed at building a better future for the province," said Jonathan. "Calm's offerings are now part of that larger picture that enriches everyday life in Saskatchewan."

The unique partnership with Calm is the first of its kind in Canada and also globally. "It's great to be a market leader with this launch, especially with the aggressiveness that we've seen in the wireless market recently," said Jonathan.

"Being the first to offer this type of over the top integration for SaskTel and Lüm Mobile customers is something we're really proud of," said Struthers. "It reflects the hard work of the teams behind the scenes who focused on making the experience simple and seamless for customers."



*Jonathan Struthers accessing Calm on his phone.*

## 2025 SASKTEL INDIGENOUS YOUTH AWARDS OF EXCELLENCE



*Recipients of the 2025 SaskTel Indigenous Youth Awards of Excellence.*

If the students of today are the leaders of tomorrow, the 2025 SaskTel Indigenous Youth Awards of Excellence show that Saskatchewan's future is in very good hands.

Since 1997, the awards, established by the Wicahitowin Foundation, have recognized the remarkable achievements of Indigenous youth across the province. Each year, they celebrate young people who demonstrate leadership, academic excellence, creativity and a deep commitment to their communities, while encouraging confidence, higher education and future leadership.

This year's ceremony was held on Friday, June 5, 2025, at the Conexus Arts Centre in Regina. The event brought together students, families, community members and leaders to honour ten outstanding youth from across Saskatchewan. The celebration opened with a prayer and reflected Indigenous traditions through drumming, dance, and shared experiences, alongside performances by local artists.

Awards were presented in five categories: Sports and Recreation, Community and Culture, Arts and Science, Leadership, and Outstanding Academic Achievement.

Among this year's recipients were Jenaya Delorme and Kale Roberts, both recognized in the Arts and Science categories and achieving academic averages as high as 98%.

Jenaya, a member of the Métis Nation of Saskatchewan, is a passionate musician involved in four bands and active in jazz studies. They plan to pursue Music Education and Jazz Performance. For Jenaya, the award

represents more than academic recognition – it is also a meaningful connection to their Métis heritage following the loss of their grandfather, a former Métis Nation leader.

"Winning this award will help me connect with my culture," Jenaya shared.

Kale Roberts was eligible in three award categories and chose the one that best reflected their strengths and personal journey. Deeply involved in community initiatives, Kale advocates for Indigenous education, human rights, and awareness of Missing and Murdered Indigenous Women and Girls.

"I knew I had the most qualities for this award, so I put a lot of work into my application," Kale said.

"These awards are a testament to the incredible potential and achievements of Indigenous youth," said Fawn Redwood, Indigenous Engagement Strategy Manager. "They inspire us all to strive for excellence and make a positive impact in our communities."

SaskTel President and CEO Charlene Gavel added, "Indigenous youth have so much to contribute to the world as empowered individuals with a strong understanding of their identity, cultural heritage and connection to their lands and communities."

SaskTel is proud to support the Indigenous Youth Awards of Excellence and remains committed to celebrating and uplifting the next generation of leaders – helping create a stronger, more inclusive future for Saskatchewan.

## SASKTEL COMPLETES FIRST SALE OF NEW AI-FOCUSED SERVICE



*(From left): Chad Walbaum, Alyssa Dunn, and Dean Rathwell helped make the Precision AI deal a reality.*

SaskTel is making it possible for companies to run AI workloads without owning or managing the hardware themselves.

The company recently completed its first sale of a new AI-focused service called 'GPU as a Service' (GPUaaS) to Precision AI, a local ag-tech company that uses advanced computing and AI to support agriculture-focused solutions. They specialize in using AI-powered, autonomous, fixed-wing drones for agricultural spraying.

Whereas traditional data centre services rely on Central Processing Units (CPUs) for the computational requirement, new workloads for AI use cases most often rely on Graphics Processing Units (GPUs). A GPU is a specialized processor designed to handle very large numbers of calculations at the same time and is widely used for advanced computing tasks like AI.

"Precision AI represents our first commercial client using SaskTel's private AI cloud service, positioning SaskTel as a provider of Sovereign AI services not only in Saskatchewan, but across Canada. They were impressed with our ability to offer GPU services locally and, as a Canadian owned Crown Corporation, to provide data

sovereignty – giving them control over their data with the assurance it's protected under Canadian privacy laws. That really mattered to them," said Chad Walbaum, Director, Sales (Strategic Integrated Solutions).

The process was over a year in the making, and conversations with the company enabled SaskTel to present the best options that could meet their requirements.

"These investment decisions take time, as they involve long-term commitments and ensuring the right technology choices for both current and future needs," said Alyssa Dunn, Strategic Accounts Manager. "Our success came from being flexible, working collaboratively with the customer, and maintaining strong communication throughout the process."

With SaskTel's assistance, Precision AI has the potential to change the nature of how crops are sprayed, reducing harmful chemical usage and improving crop yields along the way. We will continue to collaborate with highly innovative companies that seek to advance AI service in their industry.

# COMMUNITY IMPACT

**SaskTel supports Saskatchewan beyond our core services by investing in communities and people, strengthening responsible procurement, and advancing environmental sustainability to create lasting benefits across the province.**

## COMMUNITIES

We aim to enhance the quality of life in the communities where we work and reside. We are committed to making Saskatchewan better by supporting non-profit organizations and investing in initiatives that have a beneficial effect on our province.

**We are committed to making Saskatchewan better.**

Initiative	Contribution
Sponsoring non-profit organizations.	<b>\$3.2 million</b> in sponsorship to <b>1,122</b> organizations in <b>264</b> communities.
Promoting cyberbullying awareness and safety through Be Kind Online youth grants.	<b>\$27,500</b> in grants to <b>19</b> youth-lead kindness initiatives.
Providing phones and prepaid phone cards to those escaping from domestic abuse and youth leaving Ministry of Social Services care, through our Phones for a Fresh Start program.	<b>407</b> cell phones and <b>\$6,000</b> worth of phone cards provided. <b>154,265</b> wireless devices have been recycled since 2009.
Supporting charitable causes through SaskTel TelCare by donating \$0.50 for every \$1.00 employees contribute.	<b>\$186,000</b> donated to <b>47</b> locally operated charities and non-profit organizations.
Volunteering time and making donations through the SaskTel Pioneers, a group of current and retired employees.	<b>\$207,000</b> financial and <b>27,859</b> volunteer hours (2025). There are currently <b>3,585</b> Pioneer members.
Showcasing original programming on maxTV Local on Demand.	<b>\$3.0 million</b> invested in <b>615</b> local television programs featuring community-based sports, athletes, artists, businesses, musicians, and events.

# PEOPLE

We believe our greatest strength is our people. We value our representative workforce and are committed to employee standards that keep our employees safe and enable all to thrive.

**We are committed to building a representative workforce, and enabling all to thrive.**

We enable equal access to training, out-of-work hours education funding, and resources to master new skills.

- **98.9%** participation rate in employee learning.
- Voluntary-Out-of-Hours Education assistance provided to **67** employees and **125** applications approved.

Providing resources to perform work safely while complying with regulatory requirements and industry standards.

Safety Performance Indicator	2025-26 Result
Total Injury Frequency Rate (per 100 employees)	1.0
Fatalities	0
Time Loss Incident Frequency Rate (per 100 employees)	0.7

Building a representative, skilled, workforce.

- **295** external hires, including **64** students.
- **21** Scholarships awarded.
- **18** Supported Employment Program participants.

Employees by Designated Groups	Percentage of Workforce
Women in Underrepresented Roles	24.1%
Indigenous Peoples	9.9%
Visible Minorities	18.7%
Persons who Experience Disabilities	12.3%

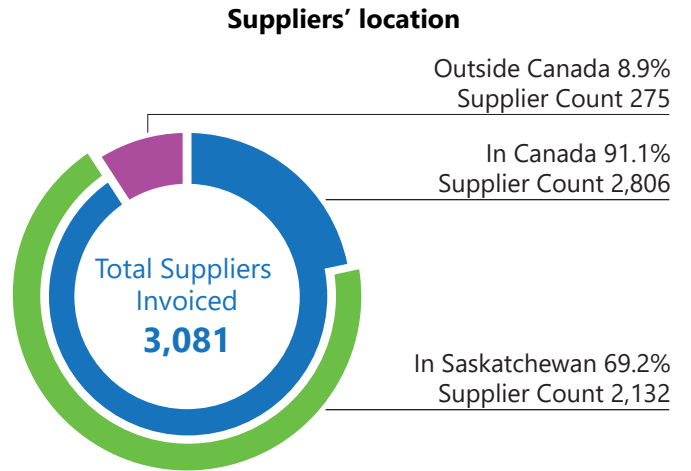
## PROCUREMENT

Our procurement practices are designed to drive economic growth in Saskatchewan while promoting representative suppliers.

**We are committed to using a best-value approach throughout all levels of the organization.**

We apply a best value method in all purchase transactions, and when feasible, obtain goods and services through a competitive procurement process. This includes a focus on Saskatchewan and Indigenous suppliers.

- **\$1,209,600,000** total procurement spend
- **\$23,000,000** with local Indigenous suppliers



## ENVIRONMENTAL SUSTAINABILITY

We are committed to minimizing our environmental impact, conserving resources, and reducing waste and energy use across our operations. Energy consumption reflects overall network growth and operational demand; SaskTel continues to pursue efficiency improvements and monitor trends year over year.

**We are committed to lessening our environmental impact.**

We follow our Environmental Management System (EMS) and driving forward green initiatives that have a favourable impact on our energy consumption.

### 2025-26 ENERGY CONSUMPTION WITHIN THE ORGANIZATION



Natural Gas  
76,946 GJ



Fleet Fuel  
89,492 GJ



Electricity  
415,319 GJ

**2025-26 TOTAL ENERGY CONSUMED = 581,758 GIGAJOULES (GJ)**

THIS PAGE IS INTENTIONALLY LEFT BLANK

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## INTRODUCTIONS

The following management's discussion and analysis (MD&A) focuses on the strategies, business operations, consolidated financial position, and results of operations of Saskatchewan Telecommunications Holding Corporation (SaskTel or the Corporation), including its major strategic business units and its subsidiaries. This MD&A should be read in conjunction with the Corporation's audited consolidated financial statements and accompanying notes on pages 47 to 90 of this report and includes information available to the Corporation up to June 4, 2026, unless otherwise stated.

## CAUTION REGARDING FORWARD-LOOKING INFORMATION

Many sections of this discussion include forward-looking statements about SaskTel, its business outlook, objectives, plans and strategic priorities, the sources of liquidity we expect to use to meet our anticipated 2026-27 cash requirements, and our network deployment plans. A statement is forward-looking when it uses information known today to make an assertion about the future. Forward-looking statements typically include words such as anticipate, believe, could, expect, intend, may, should, will, although not all forward-looking information includes them. Since these forward-looking statements reflect expectations and intentions at the time of writing, actual results could differ materially from those anticipated if known or unknown risks and uncertainties impact the business, or if estimates or assumptions turn out to be inaccurate. As a result, SaskTel cannot guarantee that any of the predictions forecasted by forward-looking statements will occur. As well, forward-looking statements do not take into consideration the effect of transactions or non-recurring items announced or occurring subsequently.

Readers should not place undue reliance on forward-looking statements, as a number of factors could cause actual results to differ materially from estimates, predictions, and assumptions. Factors that can influence performance include but are not limited to general economic and 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.

## OUR BUSINESS

Saskatchewan Telecommunications Holding Corporation is a Saskatchewan Crown corporation that oversees two subsidiaries – Saskatchewan Telecommunications and SaskTel International. SaskTel is Saskatchewan's leading provider of digital products, services, and solutions, serving customers both inside, and outside the province. We are building the most extensive and advanced broadband networks throughout the province for the benefit of our customers – the people and businesses of Saskatchewan. With almost \$1.4 billion in annual revenue and over 1.3 million customer connections, SaskTel is a major contributor to Saskatchewan's economy. The Corporation has a workforce of approximately 3,200 full-time equivalents (FTEs), making it one of Saskatchewan's largest employers.

SaskTel operates in a highly competitive industry, with approximately 691,000 wireless accesses, 216,000 wireline voice accesses, 293,000 internet and data accesses, 104,000 maxTV and maxTV Stream subscribers, and 31,000 security monitoring customers. The Corporation's subsidiary companies offer the following extensive offerings of products, services, and solutions:

- Wireless services delivered on world-class 5G, 4G, and LTE wireless networks providing high-quality and reliable voice and high-speed data services in Saskatchewan.
- SaskTel *infiNET* service, Saskatchewan's largest fibre optic broadband network, delivers blazing fast internet speeds of up to 5 gigabits per second (Gbps) to business customers and up to 1 Gbps to residential customers.
- SaskTel provides fibre-like speeds of minimum 100 megabits per second (Mbps) to 86% of the Saskatchewan population.
- SaskTel select Wi-Fi network at over 1,900 locations throughout the province and is available to SaskTel wireless, internet, or maxTV customers.
- Whole Home Wi-Fi providing the latest technology for the best in-home Wi-Fi experience powered by eero, an Amazon company.
- Starlink for Business with SaskTel, provides Saskatchewan businesses even more ways to stay connected. Businesses can access reliable, high-speed internet across Saskatchewan even in the most remote areas.
- maxTV service which serves 438 communities throughout the province.
- maxTV Stream is a streaming service that offers live TV or on-the-go content on demand, using the maxTV app, and is available to SaskTel internet subscribers and serves communities throughout the province.
- Local access network throughout urban and rural Saskatchewan.
- Lüm Mobile service is a self-serve digital only wireless offering.
- Expansive data centre footprint and service capabilities, including data hosting and AI services.
- Complementary portfolio of cloud-based communications and information technology services.
- IoT Services including Connectivity Management, LoRaWAN, Data Analytics and Asset Management, and Smart Community Solutions.
- SaskTel's Smart Agriculture Data Hub empowers informed and data-driven decisions for farmers and ranchers by coupling knowledge and assets from partner companies with SaskTel's analytics and connectivity to create digital toolkits that are as unique as the farms we serve.
- Professional services to support customers with configuration or deployment of network, IT (including data centre and AI) or telephony equipment and systems, and cyber-security consulting.
- Directwest digital marketing services.
- SaskTel International Operational Support Systems (OSS)/Business Support Systems (BSS) software solutions, such as the Optius OSS Suite.
- SecurTek commercial and residential security monitoring, including interactive and automation services.

## INDUSTRY

The telecommunications sector is undergoing slow but steady long-term growth, shaped by tightening financial conditions, shifting revenue mixes, and intensifying competitive and regulatory pressures. Industry forecasts show that overall Canadian communications service revenues will rise modestly at a 1.4% Compound Annual Growth Rate (CAGR) from 2025 to 2028, with wireless and internet continuing to expand while traditional video and wireline voice decline structurally (RBC Capital Markets – *Canadian Telecommunications Services, April 2026*).

Consumer services remain the largest contributor to industry growth, while wholesale services grow the fastest on a percentage basis. At the same time, national Communications Service Providers (CSPs) are confronting slowing Average Revenue Per Unit (ARPU) growth, higher leverage levels, and subdued returns on capital as regulatory decisions, particularly wholesale high-speed access (HSA) fibre and Mobile Virtual Network Operator (MVNO) access, intensify competition and dilute margins. Industry analysts, including Royal Bank of Canada (RBC), expect only modest improvement of 1.1% through 2026, with revenue and earnings before interest, tax, depreciation, amortization and impairment (EBITDA) growth dependent on pricing discipline, cost containment, and the stabilization of competitive pressures (RBC Capital Markets – *Canadian Telecommunications Services, April 2026*).

To manage these headwinds, CSPs are undertaking a structural evolution away from legacy connectivity-centric models toward digital infrastructure, AI-enabled platforms, enterprise solutions, and asset light operating strategies. Major operators are aggressively monetizing infrastructure including towers, backhaul networks, copper assets, and real estate to reduce debt and fund modernization. New technology domains such as private 5G networks, cloud edge architectures, AI data centres, and sustainability-driven energy strategies are reshaping industry value creation and competitive positioning. Regulatory shifts are also accelerating this transformation, with wholesale HSA fibre mandates, expanded MVNO access, and spectrum policy reforms pushing CSPs toward more efficient operations, diversified revenue models, and service-layer competition.

The Canadian telecom sector is in a state of transition, financially constrained but strategically repositioning for a future defined by digital services, automation, and emerging enterprise demand.

## BUSINESS ENVIRONMENT AND INDUSTRY TRENDS

The current Canadian telecom business environment is characterized by the following:

- Canada faces slowing population growth, reduced immigration, and an aging population, resulting in fewer new households, contracting labour force, and reduced demand for traditional telecom services. Saskatchewan remains comparatively stronger demographically, but national stagnation still suppresses long-term subscriber growth and amplifies affordability pressures.
- Competition is intensifying as Freedom Mobile, flanker brands, MVNOs, Low Earth Orbit (LEO) satellites, and 5G Fixed Wireless Access (FWA) reshape pricing, driving ARPU compression and rising churn, primarily in wireless. The market is shifting from traditional infrastructure-led competition toward diversified digital services, alternative access technologies, and new enterprise-focused competitors.
- Canada's economic outlook is "low-growth but stable," with modest Gross Domestic Product (GDP) gains, easing inflation, and sensitivity to trade tensions, while Saskatchewan outperforms the national average due to strong resource-driven sectors. Economic uncertainty creates risks for investment, consumer spending, and long-term telecom demand. Geopolitical risk and the pending Canada-United States-Mexico joint review have the potential to materially impact Canada's economic outlook.
- Telecommunications providers are increasingly diversifying beyond traditional connectivity into AI-enabled services, data centres, cloud, edge computing, and digital infrastructure solutions, opening new enterprise revenue opportunities that are less dependent on subscriber growth. Industry peers are investing heavily in AI-optimized data centres, sovereign AI infrastructure, and platform-based services, reflecting strong long-term demand from government, healthcare, agriculture, and industrial customers. This shift supports more resilient, higher-value revenue mixes and positions carriers to capture growth from data-intensive and AI-driven use cases.
- Capital investment intensity across the telecom industry is moderating as providers increasingly prioritize asset-light, network-agnostic products and services that leverage existing infrastructure, cloud platforms, and partnerships rather than requiring large, incremental network builds. Industry wide asset monetization, virtualization, and service-layer competition are enabling carriers to pursue growth while reducing capital intensity, improving financial flexibility, and supporting more sustainable long-term returns.
- The regulatory environment is tightening through policies emphasizing digital sovereignty, AI governance, stronger consumer protections, and expanded wholesale HSA fibre and MVNO access, collectively increasing compliance demands and reducing incumbent pricing power. Canadian Radio-television and Telecommunications Commission (CRTC) proceedings on reliability, consumer protections, and wholesale frameworks further accelerate competition and reshape investment strategies.
- Canada's telecom technology landscape is rapidly advancing toward 5G Standalone, 5G Advanced, Multi-access Edge Computing (MEC), virtualized and open Radio Access Networks (RAN), and quantum-safe security, requiring major modernization of infrastructure and operational models. These advances enable new enterprise and industrial applications but also introduce supply chain risks.
- Customer behaviour is defined by rising data consumption, strong price sensitivity, and elevated switching as households face affordability pressures. Expectations for ubiquitous connectivity, digital-first service channels, and flexible, value-driven bundles continue to grow, making experience, quality and affordability central to retaining customers.

## STRATEGIC DIRECTION

### STRATEGIC IDENTITY

#### Purpose Statement

We enrich everyday life. We empower people, organizations, and communities to reach their full potential.

#### Values

Think Big		Make a Difference		Focus on Experiences	
Innovation	Courage	Commitment	Community	Simplicity	Agility

### STRATEGIC THEMES

- 
**1. Deliver Valuable Customer Experiences, Insights, and Outcomes**
- 
**2. Drive Sustainable Growth through Innovation**
- 
**3. Engage and Invest in our People and Communities**
- 
**4. Build and Expand Network Capabilities**
- 
**5. Simplify and Automate the Business**

## ALIGNMENT WITH OUR SHAREHOLDER

SaskTel is a provincial Crown corporation, owned by the people of Saskatchewan. Our strategic goals have been developed to ensure the Corporation continues to transform, achieves shareholder expectations, and provides our customers with an exceptional experience today and in the future.

Shareholder direction is established for the Crown sector by Crown Investments Corporation (CIC) of Saskatchewan. CIC's Board of Directors develops Crown Sector Strategic Priorities to articulate shareholder expectations and broad policy direction to SaskTel and the CIC Crown sector.

Four Crown Sector Strategic Priorities were established for 2025-26:

- Economic Growth
- Growth that Benefits the People of Saskatchewan
- Strong Financial Management
- Standing up for Saskatchewan

SaskTel's strategic plan is also influenced by Saskatchewan's Growth Plan: The Next Decade of Growth 2020-2030. The Growth Plan serves as a roadmap to building a strong economy and a better life for the people of Saskatchewan. This includes SaskTel continuing to invest, grow, and improve the province's digital infrastructure.

SaskTel's Board of Directors and Executive team ensure the strategic plan is aligned with shareholder expectations, along with the competitive landscape and constant change occurring within our industry. The CIC Board of Directors provides final approval of SaskTel's annual strategic plan, including Balanced Scorecard measures and targets.

## PERFORMANCE MANAGEMENT

As a competitive Crown corporation, SaskTel is responsible to the people of Saskatchewan to provide exceptional products, services, and support in a competitive market at fair prices while delivering solid financial results. SaskTel continuously monitors performance against its strategic goals through the Corporation's Balanced Scorecard.

### BALANCED SCORECARD

SaskTel uses a Balanced Scorecard to measure and monitor performance. It is a widely accepted performance measurement system that is used throughout the provincial Crown sector.

The targets included in the scorecard are the foundation on which progress toward our strategic goals are measured. A rigorous process is used to develop these measures and targets, ensuring that they are aligned with the direction provided by the shareholder and SaskTel's Board of Directors. Targets are set annually to drive high performance.

The measures are monitored throughout the year, allowing SaskTel to make operational adjustments when required. Results are reported to the shareholder and SaskTel's Board of Directors on a quarterly basis.

## DELIVER VALUABLE CUSTOMER EXPERIENCES, INSIGHTS, AND OUTCOMES

Keeping customers at the centre of everything SaskTel does ensures that we can deliver exceptional customer experiences. We strive to make it easy for customers to do business with SaskTel through the experiences we deliver, the insights we have into our customers, and the outcomes that they receive. In an increasingly competitive marketplace, delivering on customer experiences, insights, and outcomes will ensure that SaskTel remains a top choice for their technology needs.

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Customer satisfaction index – Consumer	8.0	8.1	8.1
Customer satisfaction index – Business	8.0	8.1	8.2

### Customer Satisfaction Performance

Customer satisfaction index achieved the target of 8.1. Wireless satisfaction improved and now leads in the competitive market. Business satisfaction index exceeded the target with a result of 8.2. Improvements were driven by both wireless and internet product satisfaction.

### Achievements In 2025-26

- Industry-leading wireless market share.
- Lowest wireless churn rate in Canada.
- Supported those impacted by wildfires in northern Saskatchewan by waiving wireless data overage charges and crediting home phone, internet, and maxTV services.
- Provided SaskTel and Lüm Mobile customers free access to Calm Premium membership, including a full suite of wellness resources designed to support mindfulness, relaxation, and mental well-being.

### Alignment With Shareholder's Strategic Priorities

Delivering valuable customer experiences, insights, and outcomes in a competitive business environment is critical to maintaining market share, revenue growth, and profitability. SaskTel will contribute to the government's priorities of *delivering growth that benefits the people of Saskatchewan*, as well as *strong financial management* by continuing to grow the business and achieving sustainable financial returns to the province.

## DRIVE SUSTAINABLE GROWTH THROUGH INNOVATION

SaskTel's legacy business continues to come under pressure. Cord-cutting persists and wireless and fixed broadband competition continues to intensify, and we must stay focused on new opportunities in our business environment. It is necessary to find ways to replace and grow revenue while profitably retaining customers. In particular, maximizing return on broadband investments, investing in and applying new technologies, developing partnerships, delivering new business models, and expanding into out of province markets are key focus areas.

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Total consumer fibre internet accesses	196,279	210,264	219,007
Total business fibre internet accesses	13,612	15,513	16,525
Total revenue (M)	\$1,364.9	\$1,436.6	\$1,398.0

### Fibre Internet Access Performance

Fibre growth remained strong all year as rural fibre construction continued in new communities. We exceeded our conversion targets due to strong sales activity in both new and existing fibre-served areas.

### Total Revenue Performance

Revenue was below target due to competitive pressures in key business segments including wireless network services, fixed broadband and data services, as well as customer premise equipment.

### Achievements In 2025-26

- Saskatchewan became the first province in Canada to have all primary and secondary Public Safety Answering Points (PSAPs) converted to the new NG911 call handling infrastructure.
- Expanded sales for fleet tracking, analytics solutions, Remote Water Meter Monitoring and smart agriculture.
- Added more than 25,000 fibre customers to SaskTel's *infiNET* service.
- Continued national sales expansion into British Columbia, Alberta, and Manitoba.

### Alignment With Shareholder's Strategic Priorities

SaskTel operates in a highly competitive industry and must seek to innovate and grow. This is vital to the Corporation's financial sustainability and its ability to continue contributing to *growth that benefits the people of Saskatchewan*. SaskTel's growth and innovation initiatives range from adopting new technologies, introducing new products and services, smart services, collaborating across the Crown sector, working with private sector partners, and expanding sales nationally. These are aimed at ensuring *strong financial management* and performance over the long term to allow SaskTel to continue contributing to provincial *economic growth*.

Through these growth and innovation initiatives and the significant local investment involved, SaskTel continues to build infrastructure to advance the technological foundation for Saskatchewan's economy.

## ENGAGE AND INVEST IN OUR PEOPLE AND COMMUNITIES

SaskTel's strength is its people and the communities in which we work, live, and support. Ongoing investments into an engaged, skilled, and representative workforce that embodies our values is critical to SaskTel's technological evolution journey and long-term success. We also remain committed to investing in infrastructure and new products and services that increase the quality of life for people throughout Saskatchewan.

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Cultural index	72% <sup>1</sup>	74%	74%
Employee engagement score	75%	75%	75%

<sup>1</sup>2025-26 results were calculated using a new measure from the previously reported score. Prior year results are not directly comparable.

### Engagement Performance

In 2025-26, SaskTel achieved positive results across all indicators. Employee engagement met the target of 75%.

SaskTel has achieved a cultural index score of 74%, reaching the target. This is a significant accomplishment given the cultural transformation led by management to deliver on SaskTel's new purpose and values launched in 2025.

### Achievements In 2025-26

- Recognized by Mediacorp Canada Inc. as one of:
  - Saskatchewan's Top Employers
  - Canada's Top Employers for Young People
  - Canada's Best Diversity Employers
  - Canada's Greenest Employers
- Provided sponsorship of \$3.2 million to 1,122 organizations in 264 communities as well as nearly \$186,000 to 47 non-profit organizations operating in Saskatchewan through SaskTel TelCare.

### Alignment With Shareholder's Strategic Priorities

SaskTel employs a highly skilled local workforce of over 3,200 employees throughout the entire province. SaskTel's employees contribute not only to the Corporation's growth and performance but also to the growth and health of their local communities. The money they spend, and the volunteer work they do in these communities contributes to not only local *economic growth* but also *growth that benefits the people of Saskatchewan*.

SaskTel's investment in its high-performance workforce is part of the Corporation's commitment to ensuring optimal use of resources, long-term sustainability, competitiveness, and an exceptional customer experience. As the Corporation embarks on its evolution journey, investments will be made in continuing to upskill and reskill the workforce. All of this will contribute to strong commercial outcomes and ultimately *strong financial management*.

## BUILD AND EXPAND NETWORK CAPABILITIES

Network technologies and associated capabilities continue to evolve in the areas of speed, virtualization, software-centricity, and automation. Whether it is commercial broadband networks or the internal networks used to operate information systems, continuing to build and expand network capabilities is critical to underpinning SaskTel's evolution. Building and expanding network capabilities is vital to developing and delivering new products and services, creating greater efficiencies, being more responsive to the market, and keeping SaskTel competitive.

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Saskatchewan homes & businesses with access to SaskTel fibre	77%	82%	81%
Saskatchewan homes & businesses with access to fibre-like speeds	77%	82%	86%

### Network Advancement Performance

In 2025-26, SaskTel launched fibre to an additional 4% of homes and businesses in Saskatchewan, falling just short of the 82% target. SaskTel also became an authorized reseller of Starlink for Business, increasing the percentage of homes and businesses with access to fibre-like speeds to 86%.

### Achievements In 2025-26

- *infiNET* service available in 83 additional rural and northern communities.
- Brought 223 Samsung 5G sites into service across many rural and resort areas and highway corridors in the province.
- 94% of Saskatchewan population now has access to 5G and 99% of the population to LTE.

### Alignment With Shareholder's Strategic Priorities

Building and expanding network capabilities provides a necessary foundation for both SaskTel's innovative products and services and Saskatchewan's future economic growth. World-class broadband infrastructure and speeds are now a requirement for a competitive growing, modern economy. This is even more critical in Saskatchewan with its large geography and dispersed population.

SaskTel's significant, generational investments in broadband throughout the entire province are providing the critical infrastructure for *economic growth and growth that benefits the people of Saskatchewan*. These are important components of the government's commitment to invest \$30 billion in infrastructure in the province by 2030. The size of these investments requires SaskTel to focus on delivering *strong financial management*.

## SIMPLIFY AND AUTOMATE THE BUSINESS

SaskTel's future competitiveness and long-term financial sustainability will be enhanced by continuing to make progress in simplifying and automating our business. Simplification and automation of products, systems, and key business processes is critical to making SaskTel more agile and responsive to changing customer needs, rapidly evolving technologies, the need to quickly develop new competitive product and service offerings and reducing the Corporation's overall cost structure. Simplification and automation improvements to our systems, workflows, business processes, and business rules have been accomplished, and additional progress is ongoing.

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Percentage of eligible orders using self-install	54%	56%	57%
Percentage of consumer transactions using self-serve	32%	38%	34%

### Self-Install and Self-Serve Performance

SaskTel continued to improve the self-serve and self-install experience in 2025-26, and 57% of eligible orders used self-install, allowing customers to receive their services on their own timelines, improving satisfaction.

In 2025-26, 34% of consumer transactions were completed using self-serve. This fell short of the target, primarily due to proactive automation of actions that used to be self-serve.

### Achievements in 2025-26

- Improved user experience by completing the mySASKTEL Consumer Evolution project.
- Introduced customer-facing bots to improve user experience when calling the SaskTel queues.

### Alignment with Shareholder's Strategic Priorities

Simplifying and automating our business will result in SaskTel being more efficient, responsive, and cost-effective. Achieving this will position SaskTel to rapidly offer new products and services, become more competitive, and continue to invest in the province, driving *growth that benefits the people of Saskatchewan*.

Continuously striving to make SaskTel more efficient, responsive, and cost-effective in a highly competitive industry is crucial to the company's long-term sustainability through *strong financial management*.

## FINANCIAL METRICS

### Balanced Scorecard

Measure	2024-25 Result	2025-26 Target	2025-26 Result
Return on equity (ROE)	6.2%	7.2%	7.6%
Debt ratio	56.5%	55.6%	56.9%
Capital intensity	28.3%	32.3%	31.7%
Net income (M)	\$82.2	\$100.6	\$104.7
EBITDA margin	26.5%	28.1%	27.7%
Collaboration savings (M)	\$49.3	\$50.0	\$69.5
Investment attraction (M)	\$1,300.0	\$1,000.0	\$4,492.5

### Return on Equity Performance

SaskTel's ROE of 7.6% was above the annual target of 7.2% primarily due to higher-than-expected net income.

### Debt Ratio Performance

SaskTel's debt ratio of 56.9% was higher than the 55.6% year-end target due to higher gross debt due largely to timing of the receipt of accounts receivable.

### Capital Intensity Performance

Capital investment came in favourable to target primarily due to lower spending on the Aurora program and *infiNET* builds. The Aurora program was favourable due to a shift in timing of transport work and savings gained from Crown collaboration.

### Net Income Performance

Net income was above target. Revenue was below target due to competitive pressures in key business segments

including wireless network services and fixed broadband and data services. Other income was above target due to a one-time sale of assets. Goods and services purchased were lower than planned due to fewer business-grade communication systems sales, renegotiated contracts, and reduced consulting expenses. This was offset by increased spending on software, licenses, and maintenance costs drive by customer support systems and cloud usage costs.

### EBITDA Performance

SaskTel's EBITDA margin of 27.7% was unfavourable to the target of 28.1% due to lower than expected revenue caused by competitive pressures in key business segments, offset by lower cost of goods sold and management action to reduce costs.

### Collaboration Performance

In collaboration with the Crown sector, both collaboration savings and investment attraction targets were exceeded.

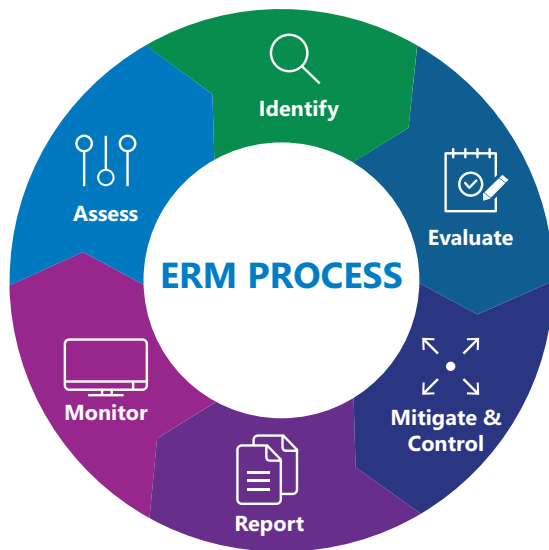
# ENTERPRISE RISK MANAGEMENT

Risk is the effect of uncertainty on objectives (“ISO 31000-2018-02,” Risk Management – Guidelines, pg. 1). This effect can take the form of negative impacts to the achievement of SaskTel’s strategic goals or may also result in positive opportunities. All organizations, including SaskTel, are subject to risk in their operating environments and must take steps to achieve a proper balance between risks and potential returns.

Risk management represents the coordinated activities to direct and control an organization with regard to risk. SaskTel uses an Enterprise Risk Management (ERM) framework to manage risk exposures and balance risk tolerance with strategic priorities. Ultimately, SaskTel manages risk to create and protect organizational value by improving performance, encouraging innovation, and supporting the achievement of strategic goals.

An ERM framework is in place to identify, assess, mitigate and control, monitor, and report on key risks within SaskTel’s business environment. This framework is aligned to the ISO 31000-2018-02 Risk Management Guidelines and CIC’s standards.

Enterprise Risk Management Framework



Appropriate responses to risk may include any or all of the following: avoid, accept, transfer, or reduce through mitigations and controls. Key corporate and divisional risks are regularly monitored and reported on to SaskTel’s governance bodies.

## GOVERNANCE AND RESPONSIBILITIES

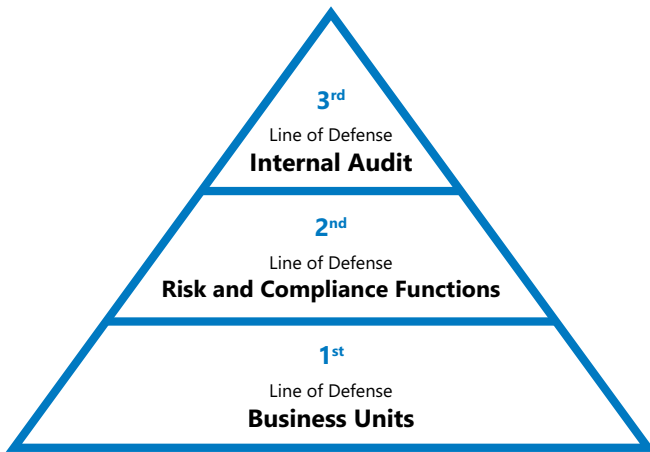
Governance and oversight are provided by SaskTel’s Board of Directors, Audit and Risk Committee of the Board, and Executive Committee through a Governance, Risk, and Compliance (GRC) framework that ensures alignment between Strategic Planning, Enterprise Risk Management, Business Units, and Internal Audit. A comprehensive annual corporate risk assessment is conducted with these governance bodies as part of SaskTel’s strategic planning process. Key Corporate Risks are reviewed with these three governance bodies on a quarterly basis.

Governance Framework



SaskTel also subscribes to the Institute of Internal Auditors’ three lines of defense model that spreads accountability for effective risk management and internal control throughout the organization. Through the company’s overall risk culture, all employees play a role in understanding and managing risk within the scope of their responsibilities.

### Three Lines of Defense



Management, from front line business units to risk and compliance functions (Strategic Planning, Enterprise Risk Management, Business Continuity Management, Insurance, Privacy, Security, and Legal), perform the first and second-line roles, while independent assurance is provided through Internal Audit (third line role). External service providers give additional assurance to satisfy legislative and regulatory expectations and complement internal sources of assurance. Our Code of Business Conduct provides further assurance that SaskTel personnel adhere to the highest standards of ethics and integrity in their decisions and actions that may present risk to the company.

## KEY RISKS

The following are key strategic and core business risks and uncertainties facing SaskTel that may have a material impact on the achievement of the company's strategic goals or the operation of the business. Additional risks and uncertainties deemed to be lower risk or risks that are currently unknown may also impact the business. Any discussion about risks should be considered in conjunction with "Caution Regarding Forward-Looking Information" on page 13.

### Strategic Risks

Strategic risks refer to the internal and external events that may make it difficult for an organization to achieve its strategic goals and objectives. These risks can have severe consequences that impact an organization over the long term. Manifestation of one or more of these risks may require SaskTel to modify its strategic direction.

### Competitiveness

Competitor intensity, including non-traditional competitors, industry consolidation, and disruptive technology could impact revenue and market share. In addition, SaskTel has a complex operating environment built up over many years, which could restrict the company's ability to deliver a competitive customer experience.

SaskTel has product roadmaps and initiatives in place to evolve not only our products and services, but also the operating environment used to deliver them. By simplifying and automating operations, including a focus on self-serve options, and continuously transforming and modernizing systems and processes, SaskTel increases its ability to stay competitive in a rapidly changing marketplace. SaskTel's ability to identify new market opportunities, deploy new technologies (e.g. 5G, fibre, telco cloud, AI, edge computing), collaborate with partners, leverage business intelligence, and adopt new operating models all contribute to delivering an exceptional customer experience and fend off increasingly aggressive and sophisticated national and international competitors.

## Regulation

The Federal Government and the CRTC continually issue directives and regulatory interventions that affect SaskTel's ability to conduct business, increases costs and complexity, impacting profitability and market share.

SaskTel actively participates in CRTC proceedings to ensure SaskTel's unique position is understood including its differences from other players within the Canadian telecom industry with respect to operational scale and geography.

## Alliances and Partnerships

SaskTel relies on agreements with other companies and suppliers throughout the industry (locally, nationally, and internationally) with respect to our business operations and in the provisioning of our products and services to customers. If factors emerge that negatively impact or end relationships or contracts, SaskTel's ability to offer services or operate the business is at risk both within and outside Saskatchewan.

SaskTel works to ensure contractual obligations are met and future expectations are addressed to maintain mutually beneficial relationships. For example, other telecom carriers rely on SaskTel's networks and vice-versa. As such, it is important to ensure our networks and our partners' networks continue to meet all stakeholders' needs.

## Core Business Risks

Core business risks are hazard or control risks that impact our ability to execute operational, financial, compliance, and legal business functions.

## Networks

SaskTel's networks are essential to delivering the company's services. If they are unavailable for an extended period, this could cause significant customer disruption.

Networks are designed and built to be highly available. Regular updates and maintenance, alarming of key components, redundancy, sparing of hardware, and

testing in labs prior to implementation help reduce the occurrence, duration, and severity of outages. Networks are continuously evolving with legacy and end of life equipment and technology being replaced.

## Systems

SaskTel relies on systems (such as billing, provisioning, and service delivery systems) to conduct business. If a key system is unavailable for an extended period, this could impact the delivery of services and generation of revenue.

Similar to networks, systems are built and designed to be highly available. Alarming of key components, redundancy, regular upgrades, maintenance and support contracts, extra hardware on site, testing in labs, disaster recovery protection, and change control processes help reduce the occurrence, duration, and severity of outages. A multi-year system architecture strategy and roadmap determines future system needs.

## Cybersecurity

SaskTel is subject to cyber-attacks or data breaches that could compromise information or disrupt service. With cybercrimes becoming more frequent and sophisticated, the threat continues to increase. A significant cyber event could impact the company's reputation and finances.

SaskTel regularly assesses its environment and implements extensive controls, testing and measures to protect data and mitigate against service disruption. Examples of controls include cybersecurity standards, monitoring, processes, policies, governance, secure configurations, training, anti-malware systems, and third-party reviews. An ongoing program is in place to increase maturity and address any vulnerabilities.

## Physical Infrastructure

Losing physical access or experiencing damage to critical infrastructure or buildings can occur for a variety of reasons (including weather events, fire, or vandalism) disrupting services and impacting revenue.

Preventive measures are in place, such as ongoing maintenance routines, automated control systems, sprinklers, fire detection systems, site hardening and loss control techniques, security, temperature-controlled facilities, and infrastructure upgrades. If a risk event occurs, business continuity plans, and disaster recovery protocols come into effect.

## Legal

SaskTel is subject to lawsuits due to the various activities undertaken. Exposures include contractual, professional, statutory, and third-party liability, which could negatively impact SaskTel's operating results and reputation.

Contracts, telecommunications tariffs, in-house counsel, insurance, and due diligence contribute to the mitigation of this risk.

## FINANCIAL RISKS

In addition to Strategic and Core Business risks, SaskTel remains cognizant of overall financial risks that could impact the company. These financial risks include interest and inflation rates, foreign exchange, impact of trade tariffs, credit, financial misstatement, pension plan solvency, investments, public reporting, revenue assurance, fraud, and cash flow. No significant financial risks are reported at this time. Notes to the Consolidated Financial Statements, *Note 22 – Financial instruments and related risk management*, highlights some financial exposures and mitigations.

## OPERATING RESULTS

### FINANCIAL SUMMARY

#### Consolidated Net Income

For the year ended March 31,  
(\$ millions)

	2026	2025	Change	%
Revenue	\$ 1,398.0	\$ 1,364.9	\$ 33.1	2.4
Other income (loss)	11.8	(4.1)	15.9	nmf <sup>1</sup>
Total revenue and other income (loss)	1,409.8	1,360.8	49.0	3.6
Expenses				
Goods and services purchased	629.1	631.2	(2.1)	(0.3)
Salaries, wages, and benefits	350.3	341.4	8.9	2.6
Depreciation - property, plant and equipment	216.7	198.5	18.2	9.2
Depreciation - right-of-use assets	7.2	7.7	(0.5)	(6.5)
Amortization	24.7	28.0	(3.3)	(11.8)
Saskatchewan taxes	31.7	30.5	1.2	3.9
Total expenses	1,259.7	1,237.3	22.4	1.8
Results from operating activities	150.1	123.5	26.6	21.5
Net finance expense	45.4	41.3	4.1	9.9
Net income	\$ 104.7	\$ 82.2	\$ 22.5	27.4
Other comprehensive loss	(9.0)	(0.4)	(8.6)	nmf <sup>1</sup>
<b>Total comprehensive income</b>	<b>\$ 95.7</b>	<b>\$ 81.8</b>	<b>\$ 13.9</b>	<b>17.0</b>

1 nmf: no meaningful figure.

#### Consolidated Revenue

For the year ended March 31,  
(\$ millions)

	2026	2025	Change	%
Wireless network services and equipment	\$ 700.0	\$ 675.0	\$ 25.0	3.7
Fixed broadband and data services	330.3	318.8	11.5	3.6
Wireline communication services	136.2	145.1	(8.9)	(6.1)
maxTV services	106.5	98.1	8.4	8.6
Security monitoring services	33.9	34.9	(1.0)	(2.9)
International software and consulting services	20.9	15.9	5.0	31.4
IT solutions services	19.7	19.5	0.2	1.0
Marketing services	18.0	19.3	(1.3)	(6.7)
Customer premise equipment	15.6	20.0	(4.4)	(22.0)
Other services	16.9	18.3	(1.4)	(7.7)
<b>Total revenue</b>	<b>\$ 1,398.0</b>	<b>\$ 1,364.9</b>	<b>\$ 33.1</b>	<b>2.4</b>

## NET INCOME

SaskTel provides strong returns to the Province of Saskatchewan by offering competitive services and providing operating revenue growth in key business segments, including wireless, fixed broadband and data, maxTV services, and by managing its costs and optimizing its legacy services. Net income was \$104.7 million, an increase of \$22.5 million from 2024-25. Net income increased primarily due to higher operating revenues of \$33.1 million, as well as an increase in other income of \$15.9 million. This was offset by increased depreciation and amortization of \$14.4 million, and increased salaries, wages and benefits of \$8.9 million.

### Net Income Change (\$ millions)



### Net Income Highlights

Revenue	Net Income	Return on Equity	EBITDA Margin	Debt Ratio
<b>\$1,398.0M</b>	<b>\$104.7M</b>	<b>7.6%</b>	<b>27.7%</b>	<b>56.9%</b>

## REVENUE

Revenue increased \$33.1 million to \$1,398.0 million, reflecting growth in key business segments including wireless network services and equipment, fixed broadband and data services, as well as maxTV services. SaskTel’s revenue is composed primarily of wireless network services and equipment revenue (50.1%), fixed broadband and data services (23.6%), wireline communication services (9.7%), and maxTV services (7.6%).

### Revenue Change (\$ millions)



\*Other includes Security monitoring, IT solutions, Marketing, International software and consulting services, Customer premise equipment & Other services.

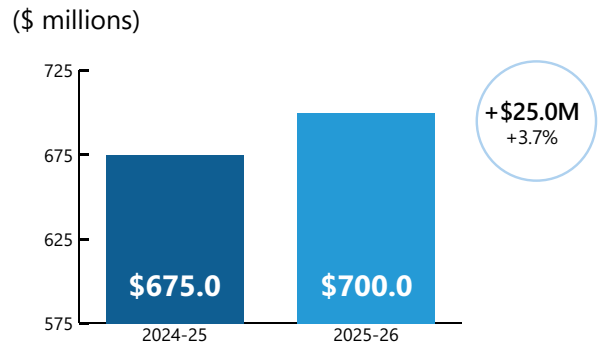
Growth in wireless and fixed broadband is being driven by SaskTel’s improvements to its *infiNET* and 5G networks throughout Saskatchewan. SaskTel continues to expand into northern communities to close urban-rural connectivity gaps. Wireless growth reflected an increased subscriber base and higher network usage. The expansion of the *infiNET* network is resulting in higher ARPU as customers opt for higher internet speeds. Content package restructuring for maxTV provided increased value to customers, driving migrations to higher tier packages, resulting in ARPU growth. This growth was offset by declines in legacy wireline communication services.

### Customer Connections

maxTV Services	Wireless	<i>infiNET</i>	Wireline Voice
<b>(3.5%)</b>	<b>+1.2%</b>	<b>+12.2%</b>	<b>(5.2%)</b>
(3,757) vs 2024-25	+8,055 vs 2024-25	+25,641 vs 2024-25	(11,954) vs 2024-25

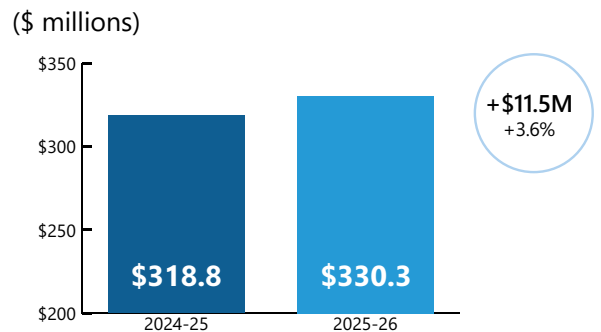
## Wireless Network Services and Equipment

Wireless network services and equipment revenue increased \$25.0 million (3.7%), reflecting increased wholesale revenues and growth in our retail subscriber base. Customer-first initiatives, such as the SmartReturn program, combined with leading network quality and coverage, resulted in an increase of 8,055 (1.2%) accesses. This was offset by a decrease in ARPU due to continued competitive pressures.



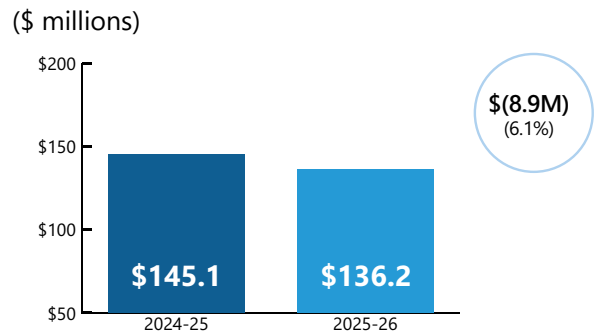
## Fixed Broadband and Data Services

Fixed broadband and data services revenue increased by \$11.5 million (3.6%). SaskTel's *infiNET* fibre accesses grew by 25,641 (12.2%), driven by SaskTel's Rural Fibre Initiative which continues to expand the Corporation's fibre footprint. ARPU is growing due to enhanced retail offerings, and customers opting for higher internet speeds.



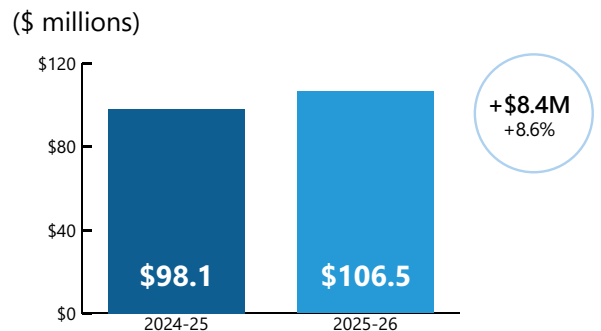
## Wireline Communication Services

Wireline communication services revenue declined by \$8.9 million (6.1%) from 2024-25. This decrease was driven by continued cord cutting as well as migrations from legacy wireline voice access to wireless and internet-based services. This was offset by increased Integrated Business Communications (IBC) subscribers.



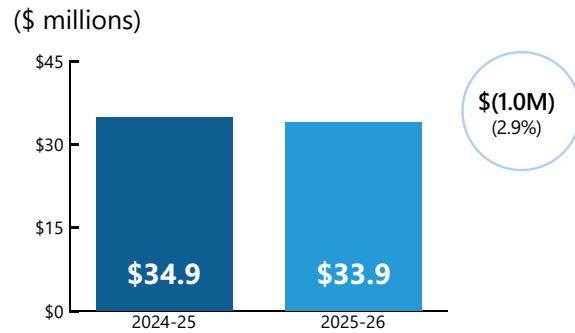
## maxTV Services

maxTV services revenue increased by \$8.4 million (8.6%). This was driven by a rate increase due to content package restructuring to address rising content costs. This was offset by fewer traditional maxTV subscribers as households are reducing TV services in the face of inflationary pressures, and an overall shift in the industry to over-the-top (OTT) video services.



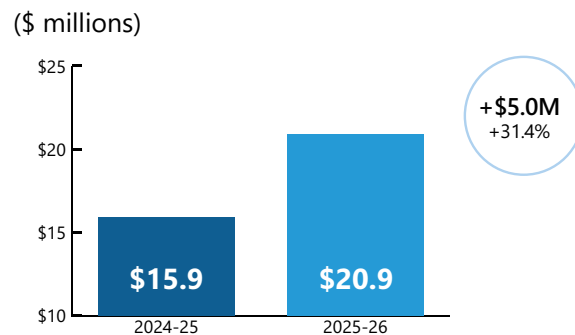
## Security Monitoring Services

Security monitoring services revenue decreased \$1.0 million (2.9%) to \$33.9 million in 2025-26, due to a decrease in active subscribers driven by the sale of customer accounts, as well as increased competition within the industry. This was offset by an increase in one-time equipment sales and installation revenue.



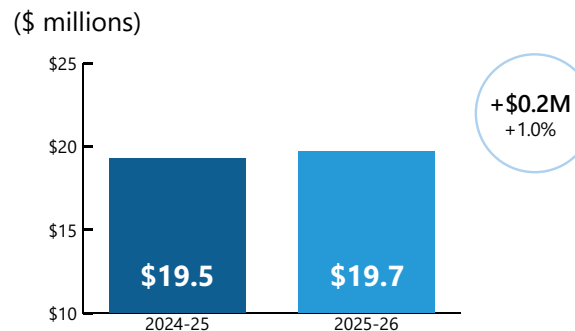
## International Software and Consulting Services

International software and consulting services revenue increased \$5.0 million (31.4%) in 2025-26. This was driven by increased consulting activity resulting from conversions to the Optius OSS Suite.



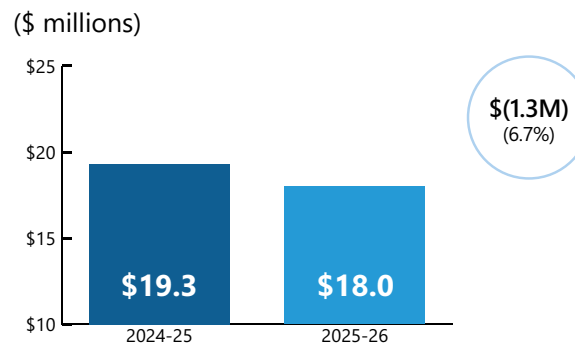
## IT Solutions Services

IT solutions services revenue increased \$0.2 million (1.0%), due to increased adoption of SaskTel's cybersecurity solutions and managed IT services. SaskTel has continued to expand its IT solutions services portfolio by offering innovative solutions, including smart services, managed cloud, and managed network services to its customers.



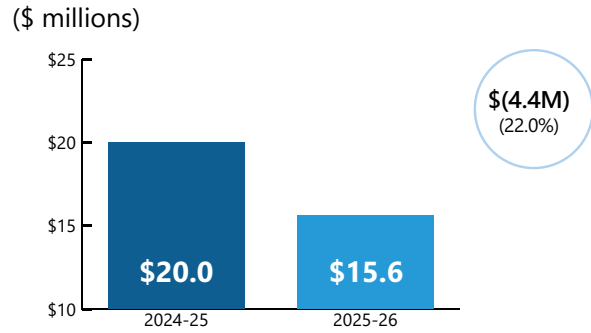
## Marketing Services

Marketing services revenue decreased \$1.3 million (6.7%) as the traditional directory industry continued to contract, however SaskTel saw growth in digital marketing services and billboard media to meet customers' evolving marketing needs.



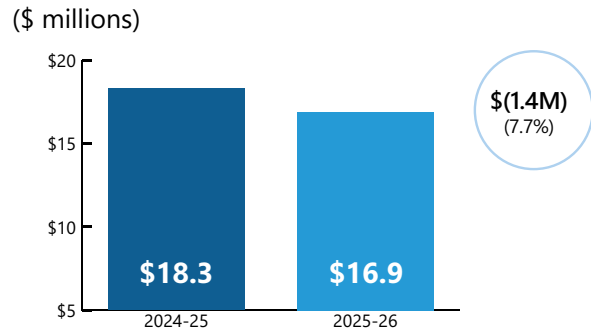
## Customer Premise Equipment

Customer premise equipment revenue decreased by \$4.4 million (22.0%) due to lower sales of legacy business-grade communication systems, offset by customers continuing to modernize their networks to mitigate cybersecurity risks.



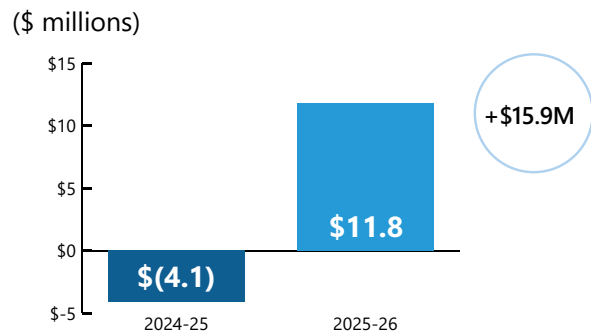
## Other Services

Other services revenue decreased \$1.4 million (7.7%) from 2024-25. Other services revenue fluctuates due to timing of construction activity and professional services engagements. In 2025-26 there was a lower volume of project work and professional services revenue.



## Other Income

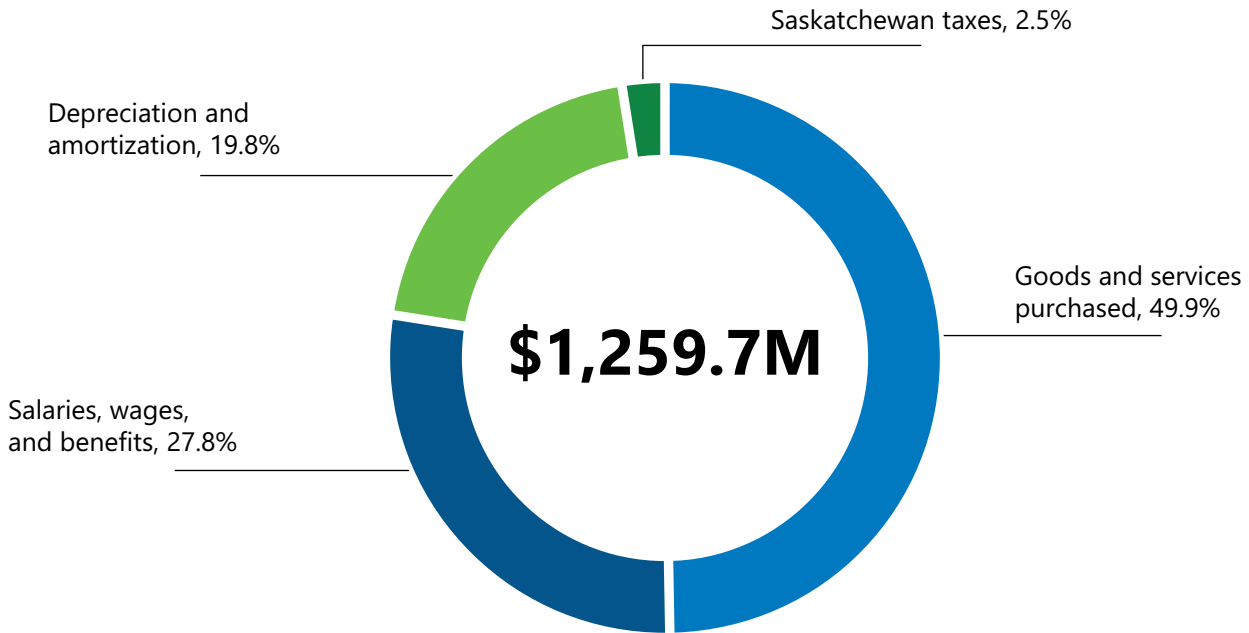
Other income increased \$15.9 million from 2024-25. This was primarily due to a one-time sale of assets.



## EXPENSES

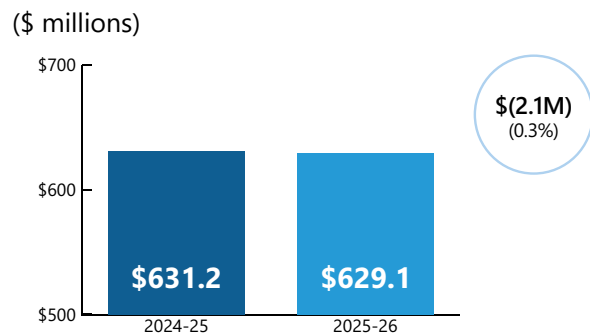
Expenses increased \$22.4 million to \$1,259.7 million. SaskTel saw increased depreciation due to ongoing spending on 5G implementation and expansion of SaskTel’s fibre network. Salaries, wages, and benefits also increased due to wage rate increases, offset by a slight decrease in FTEs.

### Expense Profile



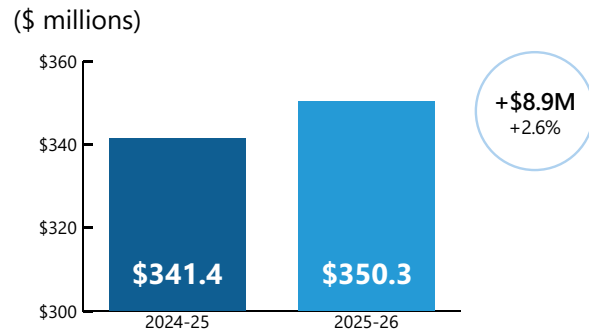
### Goods and Services Purchased

Goods and services purchased decreased by \$2.1 million (0.3%) to \$629.1 million. Direct expenses decreased primarily due to fewer business-grade communication systems sales, and decreased security monitoring services acquisition costs. This was offset by increased software licenses and maintenance costs driven by customer support systems and cloud usage costs.



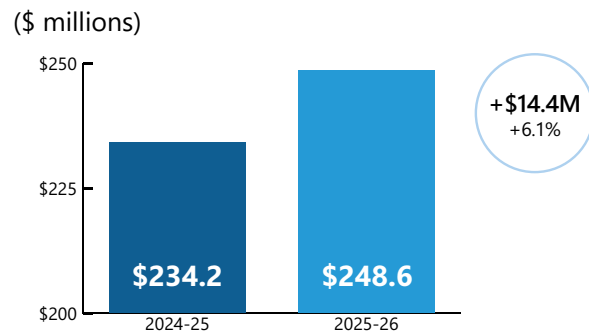
## Salaries, Wages, and Benefits

Salaries, wages, and benefits increased by \$8.9 million (2.6%) to \$350.3 million due to economic increases. Through efficiency measures, SaskTel saw a decrease in total FTEs and an increase in internal capitalized labour driven by capital projects.



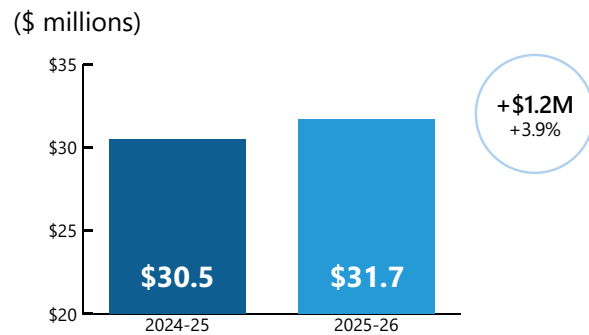
## Depreciation and Amortization

Depreciation and amortization expense increased by \$14.4 million (6.1%) to \$248.6 million due to ongoing investment in Saskatchewan infrastructure related to 5G and fibre.



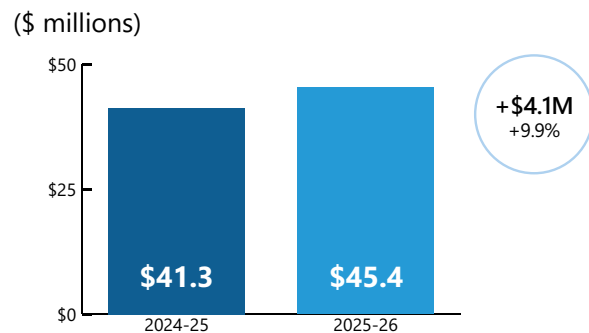
## Saskatchewan Taxes

Saskatchewan taxes were \$31.7 million in 2025-26, an increase of \$1.2 million (3.9%) due to higher capital taxes paid to the province.



## Net Finance Expense

Net finance expense increased \$4.1 million (9.9%) in 2025-26. This was due to increased interest expense resulting from a higher long-term debt balance, offset by lower interest rates on short-term borrowing. SaskTel realized increased interest income due to a higher sinking fund balance, as well as a higher market rate compared to 2024-25.



## LIQUIDITY AND CAPITAL RESOURCES

Dividends Declared

**\$41.9M**

Debt Ratio

**56.9%**

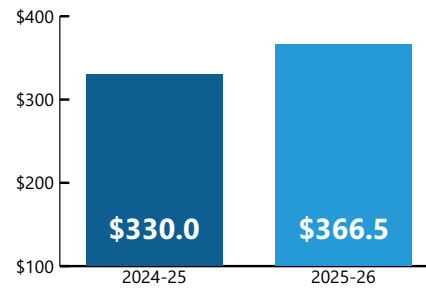
Investment in Broadband

**\$377.8**

### Cash Flows Provided by Operating Activities

Cash provided by operating activities was \$366.5 million, an increase of \$36.5 million from the previous year primarily due to increased income from operations.

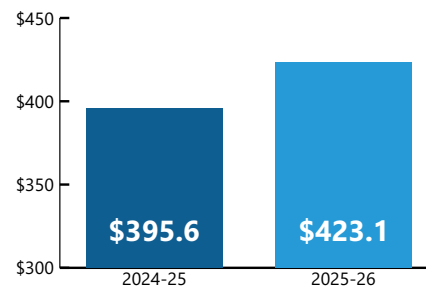
(\$ millions)



### Cash Flows Used in Investing Activities

Cash used in investing activities was \$423.1 million, an increase of \$27.5 million from the previous year. Spending on property, plant and equipment increased as SaskTel made investments in rural and northern fibre networks, and to modernize and expand the wireless network. Increased government funding from the Universal Broadband Fund was received to partially fund northern fibre and wireless projects, such as Aurora Northern Broadband.

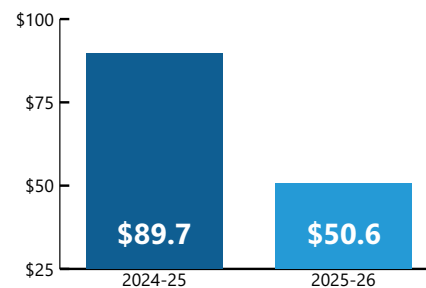
(\$ millions)



### Cash Flows Provided by Financing Activities

Cash provided by financing activities was \$50.6 million, a decrease of \$39.1 million. This is primarily due to repayments of notes payable.

(\$ millions)



## CAPITAL MANAGEMENT

(\$ millions)	March 31, 2026	March 31, 2025	Change	%
Long-term debt <sup>1</sup>	\$ 1,879.9	\$ 1,730.8	\$ 149.1	8.6
Short-term debt <sup>1</sup>	179.1	214.0	(34.9)	(16.3)
Less: Sinking funds	185.6	165.8	19.8	11.9
Cash	15.6	21.6	(6.0)	(27.8)
Net Debt	1,857.8	1,757.4	100.4	5.7
Equity <sup>2</sup>	1,405.7	1,351.8	53.9	4.0
Capitalization	\$ 3,263.5	\$ 3,109.2	\$ 154.3	5.0
Debt Ratio	56.9%	56.5%	0.4%	nmf <sup>3</sup>

1 Long-term and short-term debt excludes lease liabilities.

2 Equity for the purposes of calculating the debt ratio is defined as equity advances, accumulated other comprehensive income and retained earnings at the end of the period.

3 nmf: no meaningful figure.

The debt ratio increased 40 basis points at March 31, 2026. The overall level of net debt increased \$100.4 million, primarily to fund continued investment in SaskTel's fibre and 5G networks through investment in property, plant and equipment, and intangible assets. Equity increased \$63.9 million after recording net income of \$104.7 million, other comprehensive loss of \$9.0 million, and declaring dividends of \$41.9 million.

### Debt Instruments

The debt portfolio consists of short-term and long-term debt. Both are issued through, and guaranteed by, the Province of Saskatchewan. Short-term debt is issued at market rates in effect on the issue date. Long-term debt is at fixed interest rates. The weighted average interest rate on the fixed-rate debt at March 31, 2026 was 3.51% (2024-25 – 3.48%). The weighted average interest rate of the short-term debt outstanding at March 31, 2026 was 2.25% (2024-25 – 2.75%). The interest rate on debt depends on the risk-free rate and the credit rating of the Province of Saskatchewan, which issues debt on the Corporation's behalf. The following table lists the credit ratings of the Province of Saskatchewan at March 31, 2026.

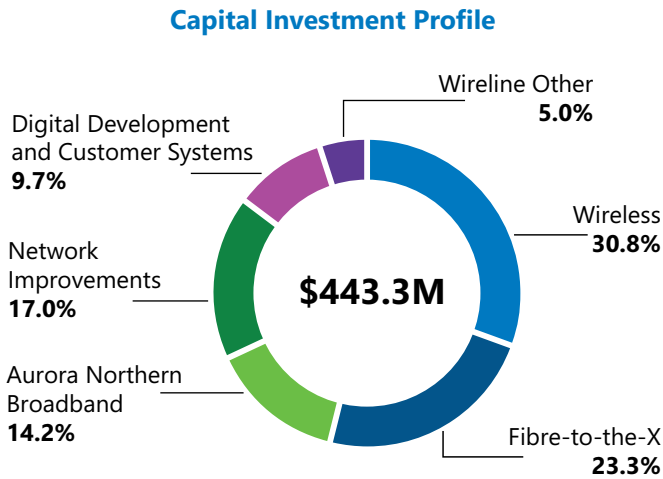
Debt Type	S&P	DBRS	Moody's
Long-term debt	AA	AA (low)	Aa1
Short-term debt	A-1+	R-1 (mid)	Not rated

### Access To Capital

SaskTel's primary cash outflows will be directed towards property, plant and equipment, intangible asset expenditures, growth initiatives, and dividend payments. To support these activities, we anticipate funding from operational cash flows supplemented by additional financing through the issuance of short-term notes and long-term debt via the Province of Saskatchewan to meet our capital needs. This approach will enable SaskTel to effectively manage our cash resources while supporting our strategic objectives. Credit facilities consist of up to \$500 million in combined lines of credit with financial institutions and advances from the Province of Saskatchewan. At March 31, 2026, the Corporation had accessed \$179.1 million of these facilities, recorded in notes payable on the Consolidated Statement of Financial Position. Besides these credit facilities, the Corporation has authority to issue up to \$2.9 billion in combined short-term and long-term debt. Total outstanding debt at March 31, 2026, was \$2,059.0 million (2024-25 – \$1,944.8 million).

## CAPITAL INVESTMENT

SaskTel invested \$443.3 million in capital expenditures during 2025-26 (2024-25 – \$398.5 million) to connect more Saskatchewan families, businesses, and communities to our fibre network, and expand the reach of our 5G wireless network. This investment will enhance the reliability and resiliency of our networks and allow SaskTel to provide advanced broadband and wireless technologies that are critical to build a more prosperous future for our province. This will ensure that Saskatchewan is well-positioned to continue to compete and succeed in the emerging smart economy.



Programs such as SaskTel’s 5G Network Modernization, FTTx, and the Aurora Northern Broadband project, supported by the Universal Broadband Fund through Innovation, Science, and Economic Development Canada (ISED), are enhancing wireless and broadband connectivity throughout Saskatchewan. These strategic investments provide residents across the province with access to advanced technologies including 5G and fibre optic internet, establishing critical infrastructure that fosters economic growth in both urban and remote areas.

SaskTel invested \$136.3 million to expand and enhance wireless networks. Over 930 sites have been converted to 5G, resulting in comprehensive coverage across Saskatchewan. LTE wireless service now extends to more than 99% of the population and covers 98% of the province’s primary roads and highways, while 5G service is available to 94% of residents. Furthermore, SaskTel operates the largest WI-FI network in the province, offering customers unlimited free data at approximately 1,900 locations within over 50 communities.

Last year \$103.3 million was invested in SaskTel’s multi-year *infiNET* network expansion program, and a further \$63.1 million was invested into the Aurora Northern Broadband project. Ongoing investments to fixed broadband infrastructure, such as these, have connected customers in 194 communities to *infiNET*. By the end of the year, 81% of homes and businesses in Saskatchewan had access to fibre services, and SaskTel had over 235,000 active *infiNET* connections.

SaskTel is committed to expanding northern broadband, supported by ISED funding to upgrade broadband and wireless networks in northern Saskatchewan, including fibre-to-the-home capabilities in over 40 remote communities. This initiative also includes the construction of new cellular towers to enhance wireless coverage for Birch Narrows First Nation, Island Lake (Ministikwan Lake Cree Nation), Turnor Lake, and along Highway 106 (Hanson Lake Road). In 2025-26, SaskTel invested \$63.1 million in the Aurora Northern Broadband project.

Investments of \$75.2 million were made to sustain and modernize other parts of SaskTel’s existing wireline network. These programs modernize network components and systems, increasing reliability and allowing SaskTel to continue to meet the needs of Saskatchewan residents and businesses to support the growing economy.

SaskTel spent \$65.6 million to improve information systems infrastructure, enhance customer self-serve and self-install platforms, and respond to customer requests for service. These upgrades improved service quality for customers, and provided new technologies, products and smart services.

## MATERIAL ACCOUNTING POLICIES, ESTIMATES, AND JUDGMENTS

SaskTel's discussion and analysis of our financial position and results of operations are based on the consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards (IFRS).

Material accounting policies, estimates, and judgments are contained in the consolidated financial statements. See *Note 2 – Basis of presentation* to the consolidated financial statements for accounting policies, estimates, and judgments applicable to the financial statements as a whole, as well as specific notes for more information about the accounting principles, estimates, and judgments that SaskTel uses for each applicable account in preparing its financial statements. Certain components of these policies could have a material impact on financial results, including: the amount and timing of revenue from contracts with customers; determination of costs to obtain contracts; capitalization and depreciation or amortization of property, plant and equipment and intangible assets; determination of right-of-use assets; determination of lease liabilities; impairment of assets and cash-generating units; assumptions related to pension obligations and the fair value of financial instruments.

## APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS

The Corporation adopted the Amendments to IAS 21, *The Effect of Changes in Foreign Exchange Rate*, relating to lack of exchangeability that became effective April 1, 2025.

## NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new standards, interpretations and amendments to existing standards were issued by the International Accounting Standards Board (IASB) or International Financial Reporting Interpretations Committee (IFRIC). These include:

- When to recognize or derecognize a financial asset or a financial liability (Amendments to IFRS 9, *Financial Instruments*);
- IFRS 18, *Presentation and Disclosure in Financial Statements* (Replaces IAS 1, *Presentation of Financial Statements*).

## FIVE-YEAR RECORD OF SERVICE

### CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE LOSS

(\$ millions)	March 31,				
	2026	2025	2024	2023	2022
Revenue	\$ 1,398.0	\$ 1,364.9	\$ 1,348.5	\$ 1,330.1	\$ 1,300.9
Other income (loss)	11.8	(4.1)	(2.5)	(1.8)	0.8
Total operating revenue and other income (loss)	1,409.8	1,360.8	1,346.0	1,328.3	1,301.7
Expenses					
Goods and services purchased	629.1	631.2	615.4	597.8	570.4
Salaries, wages and benefits	350.3	341.4	336.2	328.6	330.6
Depreciation - property, plant and equipment	216.7	198.5	190.6	198.0	199.9
Depreciation - right-of-use assets	7.2	7.7	6.8	7.6	6.3
Amortization	24.7	28.0	31.9	33.3	33.7
Saskatchewan taxes	31.7	30.5	30.7	29.4	29.0
Total expenses	1,259.7	1,237.3	1,211.6	1,194.7	1,169.9
Results from operating activities	150.1	123.5	134.4	133.6	131.8
Net finance expense	45.4	41.3	39.0	29.5	27.4
Net income	\$ 104.7	\$ 82.2	\$ 95.4	\$ 104.1	\$ 104.4
Other comprehensive loss	(9.0)	(0.4)	(5.5)	(5.0)	(5.2)
Total comprehensive income	\$ 95.7	\$ 81.8	\$ 89.9	\$ 99.1	\$ 99.2

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at (\$ millions)	March 31,				
	2026	2025	2024	2023	2022
Current assets	\$ 482.0	\$ 439.2	\$ 422.7	\$ 336.9	\$ 364.3
Property, plant and equipment	2,686.7	2,503.4	2,347.5	2,207.8	2,087.8
Other long-term assets	712.2	676.6	648.7	640.0	631.4
Total assets	\$ 3,880.9	\$ 3,619.2	\$ 3,418.9	\$ 3,184.7	\$ 3,083.5
Current liabilities	\$ 470.5	\$ 515.3	\$ 469.6	\$ 433.3	\$ 471.5
Long-term debt	1,879.9	1,680.9	1,582.1	1,435.9	1,347.6
Other long-term liabilities	124.8	71.2	64.3	64.3	70.7
Province of Saskatchewan's equity	1,405.7	1,351.8	1,302.9	1,251.2	1,193.7
Total liabilities and equity	\$ 3,880.9	\$ 3,619.2	\$ 3,418.9	\$ 3,184.7	\$ 3,083.5

## CONSOLIDATED STATEMENT OF CASH FLOWS

(\$ millions)	March 31,				
	2026	2025	2024	2023	2022
Cash (bank indebtedness), beginning of year	\$ 21.6	\$ (2.5)	\$ 18.3	\$ 20.6	\$ 23.7
Cash provided by operating activities	366.5	330.0	244.0	337.2	343.2
Cash used in investing activities	(423.1)	(395.6)	(359.3)	(337.3)	(460.4)
Cash provided by (used in) financing activities	50.6	89.7	94.5	(2.2)	114.1
Increase (decrease) in cash from continuing operations	(6.0)	24.1	(20.8)	(2.3)	(3.1)
Cash (bank indebtedness), end of year	\$ 15.6	\$ 21.6	\$ (2.5)	\$ 18.3	\$ 20.6

## FINANCIAL INDICATORS

(\$ millions)	March 31				
	2026	2025	2024	2023	2022
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%
Dividends declared	\$ 41.9	\$ 32.9	\$ 38.2	\$ 41.6	\$ 94.0
Dividends paid	\$ 36.1	\$ 36.4	\$ 38.4	\$ 58.4	\$ 100.2
Capital investment	\$ 443.3	\$ 398.5	\$ 368.5	\$ 354.3	\$ 465.1

## CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE LOSS

(\$ millions)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	2025-26	2025-26	2025-26	2025-26	2024-25	2024-25	2024-25	2024-25
Revenue	\$ 350.5	\$ 374.0	\$ 339.2	\$ 334.3	\$ 333.1	\$ 362.4	\$ 339.4	\$ 330.0
Other income (loss)	4.2	6.4	1.7	(0.5)	(3.0)	(0.8)	(0.1)	(0.2)
Total operating revenue and other income	354.7	380.4	340.9	333.8	330.1	361.6	339.3	329.8
Expenses								
Goods and services purchased	147.8	185.7	148.1	147.5	148.2	182.5	154.2	146.3
Salaries, wages, and benefits	88.8	86.2	84.8	90.5	88.3	83.5	83.2	86.4
Depreciation - property, plant and equipment	55.8	54.6	53.9	52.4	51.8	49.8	49.0	47.9
Depreciation - right-of-use assets	1.5	1.5	2.1	2.1	2.0	2.1	1.9	1.7
Amortization	6.2	6.1	6.1	6.3	7.2	7.1	6.9	6.8
Saskatchewan taxes	6.0	7.6	7.3	10.8	6.5	6.8	6.6	10.6
Total expenses	306.1	341.7	302.3	309.6	304.0	331.8	301.8	299.7
Results from operating activities	48.6	38.7	38.6	24.2	26.1	29.8	37.5	30.1
Net finance expense	11.6	11.8	11.1	10.9	10.6	10.2	9.9	10.6
Net income	\$ 37.0	\$ 26.9	\$ 27.5	\$ 13.3	\$ 15.5	\$ 19.6	\$ 27.6	\$ 19.5
Other comprehensive loss	(2.0)	(3.4)	(0.3)	(3.3)	(0.3)	(3.1)	4.1	(1.1)
Total comprehensive income	\$ 35.0	\$ 23.5	\$ 27.2	\$ 10.0	\$ 15.2	\$ 16.5	\$ 31.7	\$ 18.4

## ANNUAL OPERATING STATISTICS

### Customer Accesses

	March 31,				
	2026	2025	2024	2023	2022
Wireless	690,618	682,563	666,046	654,674	647,765
Wireline	216,159	228,113	242,221	257,396	273,856
Internet and data	292,784	293,476	292,366	294,951	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
Total accesses	1,334,388	1,380,247	1,383,941	1,395,886	1,403,741

### Employees and Payroll

	March 31,				
	2026	2025	2024	2023	2022
FTEs	3,226	3,242	3,257	3,274	3,333
Salaries earned (000's)	\$ 326,512	\$ 317,353	\$ 309,767	\$ 300,876	\$ 300,136

## GLOSSARY

**4G (fourth-generation wireless):** The generation of wireless technologies that includes HSPA+, LTE, and LTE advanced, as defined by the International Telecommunications Union.

**5G (fifth-generation wireless):** The proposed next generation of wireless telecommunications standards. We expect 5G technology to result in significantly reduced latency compared to LTE, improvements in signaling efficiency and coverage, and the ability to connect to more devices at once than ever before.

**ARPU (average revenue per user):** This business performance measure, expressed as a dollar rate per month, is predominantly used in the wireless and cable industries to describe the revenue generated per customer per month. ARPU is an indicator of a wireless or cable business' operating performance.

**Artificial intelligence (AI):** The ability of machines to perform tasks that typically require human intelligence, such as learning, problem-solving, and decision-making. AI aims to simulate human-like cognitive functions, including perception, reasoning, learning, and communication.

**Bps (bits per second):** A measurement of data transmission speed used for measuring the amount of data that is transferred in a second between two telecommunications points or within network devices.

- **Kbps** (kilobits per second) is thousands of bps;
- **Mbps** (megabits per second) is millions of bps;
- **Gbps** (gigabits per second) is billions of bps; and
- **Tbps** (terabits per second) is trillions of bps.

**Broadband:** Telecommunications services that allow the simultaneous high-speed transmission of voice, data, and video at speeds of 5 Mbps and above on fixed and wireless networks.

**CAGR (compound annual growth rate):** The annualized average rate of revenue growth between two given years, assuming the growth takes place at an exponentially compounded rate.

**Capital intensity:** This measure provides a basis for comparing the level of capital expenditures to those of other companies of varying size within the same industry. This measure is calculated as gross capital expenditures (excluding spectrum licenses and non-monetary transactions) divided by total operating revenue.

**Churn:** This business performance measure is used to describe the disconnect rate of customers to a telecommunications service. It is a measure of customer turnover and may be reflective of service quality and competitive intensity. It is usually expressed as a percentage and calculated as the number of subscriber units disconnecting in a period divided by the average number of units on the network in the same period.

**Collaboration savings:** Targets set by Crown Investments Corporation representing cost savings and investment attraction by the entire government sector resulting from participating in Collaboration.

**Communications service providers:** Companies that offer telecommunications, media, entertainment, applications, and other information-related services.

**CPE (customer premise equipment):** Telecommunications hardware, such as a modem or set-top box, that is located at the home or business of a customer.

**CRTC (Canadian Radio-television and Telecommunications Commission):** The federal regulator for radio and television broadcasters, and cable TV and telecommunications companies in Canada.

**Cultural Index:** Comprised of the average of six new employee engagement survey questions, each reflecting one of SaskTel's value principles.

**Customer satisfaction index (Consumer and Business):** Tracks SaskTel customers' satisfaction with recent SaskTel channel experiences and SaskTel products. Includes customer feedback from two groups of customers: customers who have had a recent SaskTel channel experience and customers who have not had a recent channel experience, but who experience SaskTel product(s).

**Data centre:** A facility for hosted applications, data storage, and data management.

**Debt ratio:** The debt ratio measures the capitalization of the Corporation. This measure allows for capital structure comparison with other companies in the same industry. It is defined as net debt divided by total capitalization. Net debt is defined as long-term and short-term debt minus cash and sinking funds. Total capitalization is defined as net debt plus period-end equity, including accumulated other comprehensive income (AOCI).

**EBITDA (earnings before interest, taxes, depreciation, amortization and impairment):** EBITDA is used as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric.

EBITDA is defined as operating revenue minus operating expenses. Operating revenue is defined as total revenue exclusive of other income. Operating expenses are defined as the sum of goods and services purchased, salaries, wages and benefits, and Saskatchewan taxes less internal labour capitalized.

**EBITDA margin:** EBITDA margin is the percentage of operating revenue available for debt coverage, capital investment, and return to the shareholder. EBITDA margin is defined as EBITDA divided by operating revenue.

**Employee engagement score:** Annual measure derived from the average results of a series of questions related to workplace engagement.

**Fibre network:** Hair-thin glass fibres along which light pulses are transmitted. Optical fibre networks are used to transmit large amounts of data between locations.

**FTTX (Fibre-to-the-X):** A collective term for any broadband network architecture using optical fibre to replace all or part of the existing copper local loops.

**Hertz:** A unit of frequency defined as one cycle per second. It is commonly used to describe the speeds at which electronics are driven in the radio industry.

- **MHz** (megahertz) is millions of hertz;
- **GHz** (gigahertz) is billions of hertz; and
- **THz** (terahertz) is trillions of hertz.

**Hosting (Web Hosting):** The business of housing, serving, and maintaining files for one or more websites or e-mail accounts. Using a hosting service allows many companies to share the cost of a high-speed Internet connection for serving files, as well as other Internet infrastructure and management costs.

**HSPA+ (High Speed Packet Access Plus):** A 4G technology capable of delivering manufacturer-rated wireless data download speeds of up to 21 Mbps (typical speeds of 4 to 6 Mbps expected). HSPA+ dual-cell technology can double those download speeds.

**Internet of Things (IoT):** A network of uniquely identifiable end points (or things) that interact without human intervention, most commonly over a wireless network. These systems collect, analyze, and act on information in real time and can be deployed to enable the creation of smart-connected businesses, homes, cars, and cities.

**Investment Attraction:** Targets set by Crown Investments Corporation representing cost savings and investment attraction by the entire government sector resulting from participating in Crown collaboration.

**IP (Internet Protocol):** A packet-based protocol for delivering data across networks.

**IP-based network:** A network designed using IP and quality of service technology to reliably and efficiently support all types of customer traffic, including voice, data, and video. An IP-based network allows a variety of IP devices and advanced applications to communicate over a single common network.

**IPTV (Internet Protocol television):** A television service that uses a two-way digital broadcast signal sent through a network by way of a streamed broadband connection to a dedicated set-top box.

**ISP (Internet Service Provider):** A company that provides Internet connections and services to individuals and organizations.

**LTE (Long-Term Evolution):** A standard for wireless broadband communication for mobile devices and data terminals.

**Net income (M):** Calculated as total revenue and other income minus operating expenses, depreciation, amortization, and net finance expense; excludes other comprehensive income.

**Over-the-top (OTT):** Content, services, and applications in a video environment where the delivery occurs through a medium other than the established video delivery infrastructure.

**Percentage of consumer transactions using self-serve:**

The percentage of all consumer transactions that are completed over a self-serve channel when customers have a choice to use we-serve channels.

**Percentage of eligible orders using self-install:** The percentage of customers who choose do it yourself (DIY) when it is offered. DIY is available for Whole Home, *infiNET*, and maxTV services.

**Prepaid:** A method of payment that allows a customer to prepay for a set amount of airtime and/or data in advance of actual usage.

**ROE (return on equity):** ROE measures the return to the shareholder based on the equity, including AOCI, retained by the Corporation. The calculation is defined as net income divided by average equity for the fiscal period.

**SK homes & businesses with access to fibre and fibre-like speeds:** Percentage of all Saskatchewan homes and businesses with access to SaskTel *infiNET* service or access to at least 100 Mbps internet service.

**Spectrum:** The range of electromagnetic radio frequencies used in the transmission of voice, data, and video. The capacity of a wireless network is in part a function of the amount of spectrum licensed and used by the carrier.

**Telco cloud:** A software-defined, highly resilient cloud infrastructure that allows telecommunications service providers to add services more quickly, respond faster to changes in network demand, and manage central and decentralized resources more efficiently.

**Telecommunications tariff:** A telecom tariff is an open contract between a telecommunications service provider and the public, filed with a regulatory body such as the CRTC.

**Total fibre internet accesses (Consumer and Business):**

The total number of fibre internet access (*infiNET*) subscribed to by a Consumer or Business customer.

**Total revenue (M):** Includes total operating revenue from all product lines.

**Trade tariff:** A trade tariff is a tax imposed on imported goods by a country's government.

**Wi-Fi (wireless fidelity):** Networking technology that allows any user with a Wi-Fi-enabled device to connect to a wireless access point or hot spot in high-traffic public locations.

# CONSOLIDATED FINANCIAL STATEMENTS

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying consolidated financial statements, included in the annual report of Saskatchewan Telecommunications Holding Corporation for the fiscal year ended March 31, 2026, are the responsibility of Management and have been approved by the Board of Directors. Management has prepared the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board. The policies set out have been consistently applied to all the periods presented unless otherwise noted. The financial information presented elsewhere in this annual report is consistent with that in the consolidated financial statements.

To ensure the integrity and objectivity of the financial data, Management maintains a comprehensive system of internal controls, including written policies and procedures, an organizational structure that segregates duties, and a comprehensive internal audit program. These measures provide reasonable assurance that transactions are recorded and executed in compliance with legislation and required authority, assets are properly safeguarded, and reliable financial records are maintained.

The Board of Directors fulfills its responsibility with regard to the consolidated financial statements principally through its Audit and Risk Committee, consisting of outside directors, which meets periodically with Management as well as with the internal and external auditors. The Audit and Risk Committee is responsible for engaging or reappointing the services of the external auditor. Both the internal and external auditors have free access to this committee to discuss their audit work, their opinion on the adequacy of internal controls, and the quality of financial reporting. The Audit and Risk Committee has met with Management and the external auditor to review the Corporation's annual consolidated financial statements prior to submission to the Board of Directors for final approval.

The consolidated financial statements have been audited by the independent firm of KPMG LLP Chartered Professional Accountants, as appointed by the Lieutenant Governor in Council and approved by Crown Investments Corporation of Saskatchewan.



**Charlene Gavel**  
President and Chief Executive Officer



**Scott Smith**  
Chief Financial Officer

June 4, 2026

## REPORT OF MANAGEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

I, Charlene Gavel, the President and Chief Executive Officer of Saskatchewan Telecommunications Holding Corporation (SaskTel), and I, Scott Smith, the Chief Financial Officer of SaskTel, certify the following:

- a) That we have reviewed the financial statements included in the annual report of SaskTel. Based on our knowledge, having exercised reasonable diligence, the financial statements included in the Annual Report, fairly present, in all material respects the financial condition, results of operations, and cash flows, as of March 31, 2026, and for the periods presented in the financial statements.
- b) That based on our knowledge, having exercised reasonable diligence, the financial statements included in the annual report of SaskTel 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 under which it was made.
- c) That SaskTel is responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable legislative authorities; and SaskTel has designed internal controls over financial reporting that are appropriate to the circumstances of SaskTel.
- d) That SaskTel conducted its assessment of the effectiveness of the Corporation's internal controls over financial reporting and, based on the results of this assessment, SaskTel 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.



**Charlene Gavel**  
President and Chief Executive Officer



**Scott Smith**  
Chief Financial Officer

June 4, 2026

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Legislative Assembly, Province of Saskatchewan

### OPINION

We have audited the consolidated financial statements of Saskatchewan Telecommunications Holding Corporation (the Entity), which comprise:

- the consolidated statement of financial position as at March 31, 2026
- the consolidated statement of income and other comprehensive loss 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.

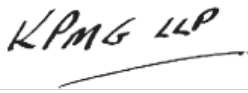
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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 stylized, handwritten font, followed by 'LLP' in a smaller, simpler font. A horizontal line is drawn underneath the text.

**Chartered Professional Accountants**

Regina, Canada

June 4, 2026

## CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE LOSS

For the year ended March 31,		2026	2025
Thousands of dollars	Note		
<b>Revenue</b>	3	<b>\$ 1,397,982</b>	\$ 1,364,898
<b>Other income (loss)</b>		<b>11,769</b>	(4,046)
<b>Total revenue and other income (loss)</b>		<b>1,409,751</b>	1,360,852
<b>Expenses</b>			
Goods and services purchased		<b>629,057</b>	631,225
Salaries, wages and benefits		<b>350,307</b>	341,320
Depreciation - property, plant and equipment	10	<b>216,697</b>	198,529
Depreciation - right-of-use assets	11	<b>7,195</b>	7,710
Amortization	12	<b>24,727</b>	28,022
Saskatchewan taxes	4	<b>31,715</b>	30,532
<b>Total expenses</b>		<b>1,259,698</b>	1,237,338
<b>Results from operating activities</b>		<b>150,053</b>	123,514
<b>Net finance expense</b>	5	<b>45,372</b>	41,306
<b>Net income</b>		<b>104,681</b>	82,208
<b>Other comprehensive loss</b>			
<b>Items that will be reclassified to net income</b>			
Unrealized losses on sinking funds	13	<b>(4,565)</b>	4,658
<b>Items that will never be reclassified to net income</b>			
Net actuarial losses on employee benefit plans	19	<b>(4,367)</b>	(5,048)
<b>Total other comprehensive loss</b>		<b>(8,932)</b>	(390)
<b>Total comprehensive income</b>		<b>\$ 95,749</b>	\$ 81,818

All net income and total comprehensive income are attributable to Crown Investments Corporation of Saskatchewan.

See *Accompanying Notes*

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Thousands of dollars	Equity advance	Accumulated other comprehensive income	Retained earnings	Total equity
<b>Balance at April 1, 2025</b>	<b>\$ 237,000</b>	<b>\$ 86,473</b>	<b>\$ 1,028,317</b>	<b>\$ 1,351,790</b>
<b>Net income</b>	-	-	<b>104,681</b>	<b>104,681</b>
<b>Other comprehensive loss</b>	-	<b>(8,932)</b>	-	<b>(8,932)</b>
<b>Total comprehensive income</b>	-	<b>(8,932)</b>	<b>104,681</b>	<b>95,749</b>
<b>Dividends declared</b>	-	-	<b>(41,872)</b>	<b>(41,872)</b>
<b>Balance at March 31, 2026</b>	<b>\$ 237,000</b>	<b>\$ 77,541</b>	<b>\$ 1,091,126</b>	<b>\$ 1,405,667</b>
Balance at April 1, 2024	\$ 237,000	\$ 86,863	\$ 978,992	\$ 1,302,855
Net income	-	-	82,208	82,208
Other comprehensive loss	-	(390)	-	(390)
Total comprehensive income	-	(390)	82,208	81,818
Dividends declared	-	-	(32,883)	(32,883)
Balance at March 31, 2025	\$ 237,000	\$ 86,473	\$ 1,028,317	\$ 1,351,790

See *Accompanying Notes*

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended March 31,

Thousands of dollars	Note	2026	2025
<b>Assets</b>			
<b>Current assets</b>			
Cash		\$ 15,568	\$ 21,641
Trade and other receivables	6	281,747	208,725
Inventories	7	35,653	44,194
Prepaid expenses		61,353	60,049
Contract assets	8	73,643	74,670
Contract costs	9	14,055	21,734
Sinking funds	13	-	8,193
<b>Total current assets</b>		<b>482,019</b>	439,206
Contract assets	8	27,500	27,855
Contract costs	9	24,738	43,744
Property, plant and equipment	10	2,686,690	2,503,359
Right-of-use assets	11	55,393	44,474
Intangible assets	12	398,416	390,947
Sinking funds	13	185,589	157,624
Long-term receivables and other assets		20,578	11,950
<b>Total assets</b>		<b>\$ 3,880,923</b>	\$ 3,619,159
<b>Liabilities and Province's equity</b>			
<b>Current liabilities</b>			
Trade and other payables		\$ 187,431	\$ 160,318
Accrued interest		19,466	17,889
Dividend payable		11,692	5,883
Notes payable	14	179,106	213,972
Contract liabilities	15	61,007	56,486
Current portion of long-term debt	17	-	50,000
Lease liabilities	18	9,054	7,932
Other liabilities		2,740	2,770
<b>Total current liabilities</b>		<b>470,496</b>	515,250
Contract liabilities	15	120	179
Deferred income – government funding	16	64,811	17,782
Long-term debt	17	1,879,861	1,680,869
Lease liabilities	18	46,910	39,023
Employee benefit obligations	19	6,983	8,070
Provisions		6,075	6,196
<b>Total liabilities</b>		<b>2,475,256</b>	2,267,369
Commitments and contingencies	24		
<b>Province of Saskatchewan's equity</b>			
Equity advance		237,000	237,000
Accumulated other comprehensive income		77,541	86,473
Retained earnings		1,091,126	1,028,317
<b>Total equity</b>		<b>1,405,667</b>	1,351,790
<b>Total liabilities and equity</b>		<b>\$ 3,880,923</b>	\$ 3,619,159

See Accompanying Notes



**Grant Kook**  
June 4, 2026



**Alan Migneault**

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, Thousands of dollars	Note	2026	2025
<b>Operating activities</b>			
Net income		\$ 104,681	\$ 82,208
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	10, 11, 12	248,619	234,261
Net finance expense	5	45,372	41,306
Interest paid		(68,361)	(64,926)
Interest received		6,987	7,021
Other		7,236	14,719
Net change in non-cash working capital	21a	21,962	15,419
<b>Cash flows provided by operating activities</b>		<b>366,496</b>	<b>330,008</b>
<b>Investing activities</b>			
Property, plant and equipment purchases		(407,628)	(365,679)
Intangible asset purchases		(32,744)	(32,744)
Net proceeds on disposal of assets		2,742	1,898
Government funding	16	14,511	943
<b>Cash flows used in investing activities</b>		<b>(423,119)</b>	<b>(395,582)</b>
<b>Financing activities</b>			
Proceeds from long-term debt	17, 21b	199,073	148,886
Repayment of long-term debt	17, 21b	(50,000)	(50,000)
Proceeds (repayment) of notes payable	21b	(34,866)	54,213
Payment of lease liabilities	18, 21b	(9,104)	(7,222)
Sinking fund instalments	13, 21b	(27,378)	(24,378)
Sinking fund redemptions	13, 21b	8,888	4,634
Dividends paid	21b	(36,063)	(36,449)
<b>Cash flows provided by financing activities</b>		<b>50,550</b>	<b>89,684</b>
<b>Increase (decrease) in cash</b>		<b>(6,073)</b>	<b>24,110</b>
<b>Cash (bank indebtedness), beginning of year</b>		<b>21,641</b>	<b>(2,469)</b>
<b>Cash, end of year</b>		<b>\$ 15,568</b>	<b>\$ 21,641</b>

See Accompanying Notes

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## NOTE 1 – GENERAL INFORMATION

Saskatchewan Telecommunications Holding Corporation (the Corporation) is a corporation located in Canada. The address of the Corporation's registered office is 2121 Saskatchewan Drive, Regina, SK, S4P 3Y2. The Corporation is a Saskatchewan Provincial Crown corporation operating under the authority of *The Saskatchewan Telecommunications Holding Corporation Act* and, as such, the Corporation and its wholly owned subsidiaries are not subject to Federal or Provincial income taxes in Canada.

By virtue of *The Crown Corporations Act, 1993*, the Corporation has been designated as a subsidiary of Crown Investments Corporation of Saskatchewan (CIC). Accordingly, the financial results of the Corporation are included in the consolidated financial statements of CIC, a Provincial Crown corporation.

One of the Corporation's subsidiaries, Saskatchewan Telecommunications (SaskTel) is regulated by the Canadian Radio-television and Telecommunications Commission (CRTC) under the *Telecommunications Act* (Canada).

The Corporation markets and supplies a range of wireless, voice, entertainment, internet, data, equipment, marketing, security, software products and consulting services.

## NOTE 2 – BASIS OF PRESENTATION

### BASIS OF PRESENTATION

Certain of the Corporation's material accounting policies that relate to the consolidated financial statements as well as estimates and judgments the Corporation has made and how they impact amounts reported in the consolidated financial statements, are incorporated in this section. Where a material accounting policy, estimate or judgment is applicable to a specific note to the accounts, the policy is described within that note. This note also describes new standards that were either effective and applied by the Corporation during the current year, or that were not yet effective.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The consolidated financial statements have been prepared on the historical cost basis, except for certain items that are not carried at historical cost as noted in specific material accounting policies.

- *Note 13 – Sinking funds*
- *Note 19 – Employee benefits*

### MATERIAL ACCOUNTING POLICIES, ESTIMATES, AND JUDGMENTS

The material accounting policies, estimates, and judgments included in this section relate to the consolidated financial statements as a whole. Estimates and judgments may impact reported amounts of revenue and expenses, reported amounts of assets and liabilities, and disclosure of contingencies.

Material accounting policies have been applied consistently by the Corporation and its subsidiaries throughout all periods presented unless otherwise indicated.

## Note 2 – Basis of presentation, continued

### FUNCTIONAL AND PRESENTATION CURRENCY

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

### BASIS OF CONSOLIDATION

#### Material accounting policies

##### Subsidiaries

The consolidated financial statements include the financial statements of the Corporation and its subsidiaries.

A subsidiary is an entity that is controlled by another entity, known as the parent. The Corporation controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Separate audited financial statements for each of the undernoted wholly owned corporations, which are consolidated in these financial statements, are prepared and available to the public:

Subsidiary	Principal Activity
Saskatchewan Telecommunications (SaskTel)	Telecommunications
Saskatchewan Telecommunications International, Inc. (SaskTel International)	Telecommunications software solutions and consulting

##### Transactions eliminated on consolidation

Intercompany balances and transactions, and any income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

### IMPAIRMENT TESTING

#### Material accounting policies

Assets that have an indefinite useful life e.g., spectrum licences or intangible assets that are not yet ready for use are not subject to amortization and are tested at least annually for impairment in the third quarter, or more frequently if events or circumstances indicate there may be an impairment. Property, plant and equipment and finite-life intangible assets are tested for impairment if events or changes in circumstances, assessed at each reporting period, indicate that their carrying amount may not be recoverable. At the end of each reporting period, the Corporation reviews the carrying amounts of its assets in use, including property, plant and equipment, right-of-use assets and identifiable intangible assets with finite lives, to determine whether there is any indication that they have suffered an impairment loss.

If it is not possible to estimate the recoverable amount of the individual asset, impairment testing is performed over the smallest group of assets that generate 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 the 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.

## Note 2 – Basis of presentation, continued

In assessing value in use, the estimated future cash flows are discounted to their 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. In assessing fair value less costs to sell, a market EV/EBITDA (enterprise value/earnings before interest, taxes, depreciation and amortization) multiple is 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 is applied to forecasted EBITDA to determine enterprise value.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized as a reduction in net income and a reduction in the carrying amounts of the assets in the unit (group of units) to which they pertain, on a pro rata basis.

## Accounting estimates and judgments

Judgment involves identifying the appropriate asset or CGU; determining the appropriate discount rate for assessing value in use; and making assumptions about future cash flows and market conditions over the long-term life of the assets or CGUs.

The Corporation cannot predict if specific events that potentially trigger impairment will occur, when they may occur, or how they may affect reported asset amounts. Unexpected declines in future cash flow potential or significant unanticipated technology changes could impact carrying values and the potential for impairment.

## FAIR VALUE

### Material accounting policies

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, regardless of whether that price is directly observable or estimated using another valuation technique. For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs. The Corporation's fair value hierarchy prioritizes observable inputs to valuation techniques used to measure fair value.

The three levels of the fair value hierarchy are:

- Level 1 - Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2 - Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3 - Values based on prices or valuation techniques that require inputs, which are both unobservable and significant to the overall fair value measurement.

## Note 2 – Basis of presentation, continued

**Accounting estimates and judgments**

Fair value estimates are at a point-in-time and may change in subsequent reporting periods due to market conditions or other factors. Estimates can be determined using multiple methods, which can cause values (or a range of reasonable values) to differ. In addition, estimates may require assumptions about future price, volatility, liquidity, discount and inflation rates, defaults and other relevant variables. The estimates of fair value may not accurately reflect the amounts that could be realized. Determination of the hierarchy level is based on the Corporation's assessment of inputs that are significant to the fair value measurement and is subject to estimation and judgment.

**FOREIGN CURRENCY TRANSACTIONS****Material accounting policies**

Transactions in foreign currencies are translated to the functional currency of the Corporation at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

**ADDITIONAL MATERIAL ACCOUNTING POLICIES**

Additional material accounting policies, estimates, and judgments are disclosed throughout the following notes with the related financial disclosures.

Note	Accounting Policies	Accounting Estimates and Judgments	Page
Note 3 – Revenue from contracts with customers	X	X	59
Note 4 – Saskatchewan taxes			62
Note 5 – Net finance expense			62
Note 6 – Trade and other receivables	X		62
Note 7 – Inventories			63
Note 8 – Contract assets	X		64
Note 9 – Contract costs			65
Note 10 – Property, plant and equipment	X	X	65
Note 11 – Right-of-use assets	X		68
Note 12 – Intangible assets	X	X	69
Note 13 – Sinking funds	X		72
Note 14 – Notes payable	X		73

Note	Accounting Policies	Accounting Estimates and Judgments	Page
Note 15 – Contract liabilities	X		73
Note 16 – Deferred income – government funding	X		74
Note 17 – Long-term debt	X		75
Note 18 – Lease liabilities	X		77
Note 19 – Employee benefits	X	X	78
Note 20 – Equity advance and capital disclosures			82
Note 21 – Consolidated statement of cash flows – supporting information			83
Note 22 – Financial instruments and related risk management	X		85
Note 23 – Related party transactions			89
Note 24 – Commitments and contingencies			90

*Note 2 – Basis of presentation, continued***APPLICATION OF AMENDMENTS TO IFRS ACCOUNTING STANDARDS**

The Corporation adopted the Amendments to IAS 21, *The Effect of Changes in Foreign Exchange Rate*, relating to lack of exchangeability that became effective April 1, 2025.

**NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED**

Certain new standards, interpretations and amendments to existing standards were issued by the International Accounting Standards Board (IASB) or International Financial Reporting Interpretations Committee (IFRIC). These include:

**IFRS 9, Financial Instruments**

Amendments to IFRS 9 clarify when to recognize or derecognize a financial asset or a financial liability. Amendments are expected to improve consistent application, making financial information more comparable between companies.

This standard will be effective for the Corporation's fiscal year beginning April 1, 2026.

This amendment will not have a material impact on our financial statements.

**IFRS 18, Presentation and Disclosure of Financial Statements**

IFRS 18 will replace IAS 1, *Presentation of Financial Statements*. The new standard introduces the following new key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the 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 profit 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.

In addition, all 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.

This standard will be effective for the Corporation's fiscal year beginning April 1, 2027.

The Corporation is currently evaluating the impact of IFRS 18 on the financial statements.

**NOTE 3 – REVENUE FROM CONTRACTS WITH CUSTOMERS****MATERIAL ACCOUNTING POLICIES**

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.

### Note 3 – Revenue from contracts with customers, continued

For multiple element arrangements, such as bundled service offerings, 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.

The Corporation may enter into arrangements with subcontractors and others who provide services to customers. When the Corporation acts as the principal in these arrangements, the Corporation recognizes revenue based on the total contracted amount. Otherwise, the Corporation recognizes the net amount that the Corporation retains as revenue.

Incremental costs of obtaining a contract with a customer, principally comprised of sales commissions and prepaid contract fulfillment costs, are recognized in the consolidated statement of financial position within contract assets. 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.

## WIRELESS NETWORK SERVICES AND EQUIPMENT REVENUE

Wireless revenue is principally generated from providing integrated digital wireless voice and data communications products and services to consumer and business customers.

Equipment revenue from the sale of wireless handsets and devices is recognized when a customer takes possession of the product. Wireless service revenue is recognized evenly over the term of the service contract, as the services are provided.

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, including device financing, 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.

## WIREFINE NETWORK SERVICES AND EQUIPMENT REVENUE

Revenue is also generated from providing data, including internet access and internet protocol television (IPTV), local, long distance, and security services as well as other communications services and products to consumer 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 on a monthly basis 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.

Revenue from the sale of equipment is recognized when a customer takes possession of the product. Service revenue is recognized evenly over the term of the service contract, 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.

**Note 3 – Revenue from contracts with customers, continued**

For wireline customers, products are usually paid in full at the point of sale and services are paid on a monthly basis except where a billing schedule has been established with certain customers under long-term contracts that can generally extend up to five years.

**ACCOUNTING ESTIMATES AND JUDGMENTS**

The Corporation is required to make judgments and estimates that affect the amount and timing of revenue from contracts with customers, including estimates and judgments related to: determining the transaction price of products and services, determining the stand-alone selling prices of products and services, identification of performance obligations within a contract, including the determination of whether a promise to deliver goods or services is considered distinct, and the timing of satisfaction of performance obligations under long-term contracts.

**SUPPORTING INFORMATION**

<b>For the year ended March 31,</b> Thousands of dollars	<b>2026</b>	2025
<b>Wireless network services and equipment revenue</b>		
Wireless network services	\$ 531,744	\$ 511,557
Wireless equipment	168,232	163,415
<b>Wireline network services and equipment revenue</b>		
Fixed broadband and data services	330,283	318,783
Wireline communication services	136,202	145,124
maxTV services	106,517	98,131
Security monitoring services	33,875	34,862
IT solutions services	19,741	19,509
Customer premise equipment	15,559	20,044
<b>International software and consulting services revenue</b>	<b>20,887</b>	15,900
<b>Marketing services revenue</b>	<b>18,037</b>	19,261
<b>Other services</b>	<b>16,905</b>	18,312
<b>Total revenue</b>	<b>\$ 1,397,982</b>	<b>\$ 1,364,898</b>

**Future performance obligations**

The table below shows the revenue that the Corporation expects to recognize in the future, related to unsatisfied or partially satisfied performance obligations as at March 31, 2026. The unsatisfied portion of the transaction price of the performance obligations relates to monthly services, which is expected to be recognized as follows:

<b>For year ended March 31,</b> Thousands of dollars	<b>2026</b>	2025
1 year or less	\$ 197,398	\$ 207,686
Between 1 and 3 years	76,237	79,691
Greater than 3 years	2,515	1,671
<b>Total future performance obligations<sup>1</sup></b>	<b>\$ 276,150</b>	<b>\$ 289,048</b>

<sup>1</sup> The corporation has elected to utilize the following practical expedients and not disclose: the unsatisfied portions of performance obligations related to contracts with a duration of one year or less; or the unsatisfied portions of performance obligations where the revenue the Corporation recognizes corresponds with the amount invoiced to the customer.

## NOTE 4 – SASKATCHEWAN TAXES

For year ended March 31, Thousands of dollars	2026	2025
Saskatchewan corporate capital tax	\$ 24,042	\$ 22,930
Grants-in-lieu of taxes	7,673	7,602
<b>Total Saskatchewan taxes</b>	<b>\$ 31,715</b>	<b>\$ 30,532</b>

## NOTE 5 – NET FINANCE EXPENSE

### SUPPORTING INFORMATION

For the year ended March 31, Thousands of dollars	Note	2026	2025
<b>Finance expense</b>			
Interest on long-term debt		\$ 64,912	\$ 58,468
Interest on short-term debt		2,984	5,747
Interest capitalized		(7,173)	(7,491)
Interest on lease liabilities	18	1,961	1,534
Accretion expense		215	238
<b>Total finance expense</b>		<b>62,899</b>	<b>58,496</b>
<b>Finance income</b>			
Sinking fund earnings	13	(5,847)	(5,223)
Net interest from defined benefit plans	19	(4,693)	(4,946)
Interest income		(6,987)	(7,021)
<b>Total finance income</b>		<b>(17,527)</b>	<b>(17,190)</b>
<b>Total net finance expense</b>		<b>\$ 45,372</b>	<b>\$ 41,306</b>
Interest capitalization rate		3.40%	3.35%

## NOTE 6 – TRADE AND OTHER RECEIVABLES

### MATERIAL ACCOUNTING POLICIES

The Corporation initially recognizes trade and other receivables at fair value on the date that they are originated. Subsequent to initial recognition, trade and other receivables are measured at amortized cost using the effective interest method, less any provision for impairment losses of trade accounts receivable. Customer financing receivables are amounts owed by customers under device financing agreements that are yet to be billed.

**Note 6 – Trade and other receivables, continued**

The allowance for expected credit losses on trade and other receivables are always recorded at lifetime expected credit losses (ECL). When estimating lifetime ECL, the Corporation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Corporation's historical experience and informed credit assessment, including forward-looking information. The Corporation considers accounts receivable to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full. It is assumed that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

**SUPPORTING INFORMATION**

<b>For the year ended March 31,</b> Thousands of dollars	Note 22	<b>2026</b>	2025
Customer financing receivables		\$ 47,429	\$ 43,862
Trade receivables			
Customer accounts receivable		87,212	83,675
Accrued receivables – customer		3,064	3,083
Allowance for expected credit losses		(5,218)	(5,790)
Federal government funding receivable		40,623	4,396
Other receivables <sup>1</sup>		123,791	91,104
<b>Total trade and other receivables</b>		<b>296,901</b>	220,330
Current portion		281,747	208,725
Long-term portion - within other assets		15,154	11,605
<b>Total trade and other receivables</b>		<b>\$ 296,901</b>	\$ 220,330

<sup>1</sup> Other receivables are made up primarily of amounts collected by third parties on the Corporation's behalf and are deemed a low credit risk.

**NOTE 7 – INVENTORIES****SUPPORTING INFORMATION**

<b>For year ended March 31,</b> Thousands of dollars		<b>2026</b>	2025
Inventories for resale		\$ 35,148	\$ 42,405
Materials and supplies		505	1,789
<b>Total inventories</b>		<b>\$ 35,653</b>	\$ 44,194

For the year ended March 31, 2026, inventories of \$96.2 million (2024-25 – \$100.7 million) were recognized as an expense within goods and services purchased on the Consolidated Statement of Income and Other Comprehensive Loss.

## NOTE 8 – CONTRACT ASSETS

### MATERIAL ACCOUNTING POLICIES

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 other products or services. The Corporation has multiple-element arrangements that arise from bundling the sale of wireless device equipment with a contracted service period. Although the customer receives the equipment at contract inception and the revenue from the associated completed performance obligations is recognized at that time, the customer's payment for the equipment will effectively be received over the contracted service period to the extent it is not received as a lump-sum amount at contract inception. The difference between the equipment revenue recognized and the associated amount cumulatively billed to the customer is recognized on the Consolidated Statement of Financial Position as a contract asset and/or an unbilled customer finance receivable, depending upon the form of the contract.

The allowance for impairment losses on contract assets is always recorded at lifetime ECL. When estimating ECL, the Corporation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Corporation's historical experience and informed credit assessment, including forward-looking information. The Corporation considers accounts receivable to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full. It is assumed that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

### SUPPORTING INFORMATION

For the year ended March 31, Thousands of dollars	Note	2026	2025
<b>Balance at April 1,</b>		\$ 104,306	\$ 106,567
Net additions		94,175	93,297
Amortization of contract assets		(95,563)	(95,558)
<b>Total contract assets</b>		<b>102,918</b>	104,306
Impairment allowance	22	(1,775)	(1,781)
<b>Total net contract assets</b>		<b>101,143</b>	102,525
Current portion		73,643	74,670
Long-term portion		27,500	27,855
<b>Balance at March 31,</b>	22	<b>\$ 101,143</b>	\$ 102,525

The contract assets balance is comprised of the following:

For the year ended March 31, Thousands of dollars		2026	2025
Amortization period			
Within 1 year		\$ 74,928	\$ 75,962
Greater than 1 year		27,990	28,344
Gross contract assets		102,918	104,306
Impairment allowance		(1,775)	(1,781)
<b>Net contract assets</b>		<b>\$ 101,143</b>	\$ 102,525

## NOTE 9 – CONTRACT COSTS

### SUPPORTING INFORMATION

For the year ended March 31, Thousands of dollars	2026	2025
<b>Balance at April 1,</b>	\$ 65,478	\$ 70,180
Net additions	20,202	20,290
Amortization included in goods and services purchased	(22,192)	(24,992)
Sale of accounts	(24,695)	-
<b>Total contract costs</b>	<b>38,793</b>	65,478
Current portion	14,055	21,734
Long-term portion	24,738	43,744
<b>Balance at March 31,</b>	<b>\$ 38,793</b>	<b>\$ 65,478</b>

## NOTE 10 – PROPERTY, PLANT AND EQUIPMENT

### MATERIAL ACCOUNTING POLICIES

Property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to bringing the assets to a working condition for their intended use. The cost of self-constructed assets includes materials, services, direct labour, and directly attributable costs. Borrowing costs associated with major capital and development projects are capitalized during the construction period. Assets under construction are recorded as in progress until they are operational and available for use, at which time they are transferred to the appropriate class of asset.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in net income as incurred.

When property, plant and equipment is disposed of or retired, the related cost and accumulated depreciation is eliminated from the accounts. Any resulting gain or loss, determined as the difference between the sale proceeds and the carrying amount of the asset, is reflected in net income for the year.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount in the case of impairment, less its residual value.

Depreciation is recognized in net income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment as follows:

<b>Asset</b>	<b>Estimated useful life</b>
Buildings and improvements	20 – 75 years
Plant and equipment	3 – 50 years
Office furniture and equipment	3 – 17 years

**Note 10 – Property, plant and equipment, continued****ACCOUNTING ESTIMATES AND JUDGMENTS**

Judgment is involved in determining directly attributable labour and related costs, appropriate timing for cessation of cost capitalization, which subsequent expenditures can be capitalized, the estimated useful life and the method of depreciation.

Asset residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. Changes in expected useful lives are accounted for by changing the depreciation period or method as appropriate and are treated as changes in accounting estimates.

Useful lives can be impacted by changes in expected future economic benefits, reviews of network operating plans, or the impact of technology changes. Changes in these assumptions could result in material changes to depreciation expense in future periods. Indicators of impairment are reviewed at the end of each reporting period which also require judgment.

## Note 10 – Property, plant and equipment, continued

**SUPPORTING INFORMATION**

Thousands of dollars	Plant and equipment	Buildings and improvements	Office furniture and equipment	Plant under construction	Land	Total
<b>Cost</b>						
<b>Balance at April 1, 2025</b>	<b>\$ 4,228,472</b>	<b>\$ 717,470</b>	<b>\$ 132,596</b>	<b>\$ 196,468</b>	<b>\$ 42,147</b>	<b>\$ 5,317,153</b>
Additions	75,986	-	27,378	307,379	116	410,859
Transfers	284,818	40,097	340	(325,255)	-	-
Retirements, disposals and adjustments	(145,971)	(5,914)	(22,136)	-	-	(174,021)
<b>Balance at March 31, 2026</b>	<b>\$ 4,443,305</b>	<b>\$ 751,653</b>	<b>\$ 138,178</b>	<b>\$ 178,592</b>	<b>\$ 42,263</b>	<b>\$ 5,553,991</b>
Balance at April 1, 2024	\$ 4,158,191	\$ 694,464	\$ 125,470	\$ 124,739	\$ 41,956	\$ 5,144,820
Additions	69,325	-	30,308	263,140	191	362,964
Transfers	164,968	26,186	257	(191,411)	-	-
Retirements, disposals and adjustments	(164,012)	(3,180)	(23,439)	-	-	(190,631)
Balance at March 31, 2025	\$ 4,228,472	\$ 717,470	\$ 132,596	\$ 196,468	\$ 42,147	\$ 5,317,153
<b>Accumulated depreciation</b>						
<b>Balance at April 1, 2025</b>	<b>\$ 2,478,649</b>	<b>\$ 272,557</b>	<b>\$ 62,588</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,813,794</b>
Depreciation	173,289	19,587	23,821	-	-	216,697
Retirements, disposals and adjustments	(138,636)	(2,581)	(21,973)	-	-	(163,190)
<b>Balance at March 31, 2026</b>	<b>\$ 2,513,302</b>	<b>\$ 289,563</b>	<b>\$ 64,436</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,867,301</b>
Balance at April 1, 2024	\$ 2,478,980	\$ 256,137	\$ 62,227	\$ -	\$ -	\$ 2,797,344
Depreciation	156,251	18,509	23,769	-	-	198,529
Retirements, disposals and adjustments	(156,582)	(2,089)	(23,408)	-	-	(182,079)
Balance at March 31, 2025	\$ 2,478,649	\$ 272,557	\$ 62,588	\$ -	\$ -	\$ 2,813,794
<b>Carrying amounts</b>						
<b>At April 1, 2025</b>	<b>\$ 1,749,823</b>	<b>\$ 444,913</b>	<b>\$ 70,008</b>	<b>\$ 196,468</b>	<b>\$ 42,147</b>	<b>\$ 2,503,359</b>
<b>At March 31, 2026</b>	<b>\$ 1,930,003</b>	<b>\$ 462,090</b>	<b>\$ 73,742</b>	<b>\$ 178,592</b>	<b>\$ 42,263</b>	<b>\$ 2,686,690</b>
At April 1, 2024	\$ 1,679,211	\$ 438,327	\$ 63,243	\$ 124,739	\$ 41,956	\$ 2,347,476
At March 31, 2025	\$ 1,749,823	\$ 444,913	\$ 70,008	\$ 196,468	\$ 42,147	\$ 2,503,359

## NOTE 11 – RIGHT-OF-USE ASSETS

### MATERIAL ACCOUNTING POLICIES

At the inception of a contract, the Corporation assesses whether the contract is, or contains a lease, based on the Corporation's right to control the use of an identified asset for a specified period of time. Lease components within a contract are accounted for as a lease separately from the non-lease components of the contract. For contracts that contain one or more additional lease or non-lease components, the consideration is allocated to each component based on the stand-alone price of the lease and non-lease components.

Right-of-use assets are initially measured at cost. After the initial recognition, the Corporation measures the right-of-use assets at cost less any accumulated depreciation and any accumulated impairment losses; adjusted for any remeasurement of the lease liability due to lease modifications or revised in-substance fixed lease payments.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the asset or the end of the lease term, unless the Corporation expects to obtain ownership of the asset at the end of the lease term. The lease term consists of the non-cancellable lease term, renewal options that are reasonably expected to be exercised and termination options that are not reasonably expected to be exercised.

## Note 11 – Right-of-use assets, continued

**SUPPORTING INFORMATION**

Thousands of dollars	Plant and equipment	Buildings and improvements	Real estate	Total
<b>Cost</b>				
<b>Balance at April 1, 2025</b>	\$ 33,680	\$ 24,540	\$ 21,466	\$ 79,686
Additions	10,680	537	7,646	18,863
Retirements and adjustments	(3,721)	(1,258)	-	(4,979)
<b>Balance at March 31, 2026</b>	\$ 40,639	\$ 23,819	\$ 29,112	\$ 93,570
Balance at April 1, 2024	\$ 26,715	\$ 31,076	\$ 12,812	\$ 70,603
Additions	9,069	(429)	2,732	11,372
Transfers	-	(5,924)	5,924	-
Retirements and adjustments	(2,104)	(183)	(2)	(2,289)
Balance at March 31, 2025	\$ 33,680	\$ 24,540	\$ 21,466	\$ 79,686
<b>Accumulated depreciation</b>				
<b>Balance at April 1, 2025</b>	\$ 18,709	\$ 9,515	\$ 6,988	\$ 35,212
Depreciation	3,837	1,786	1,572	7,195
Retirements and adjustments	(3,544)	(686)	-	(4,230)
<b>Balance at March 31, 2026</b>	\$ 19,002	\$ 10,615	\$ 8,560	\$ 38,177
Balance at April 1, 2024	\$ 16,098	\$ 10,036	\$ 3,445	\$ 29,579
Depreciation	4,516	2,233	961	7,710
Retirements and adjustments	(1,905)	(2,754)	2,582	(2,077)
Balance at March 31, 2025	\$ 18,709	\$ 9,515	\$ 6,988	\$ 35,212
<b>Carrying amounts</b>				
<b>At April 1, 2025</b>	\$ 14,971	\$ 15,025	\$ 14,478	\$ 44,474
<b>At March 31, 2026</b>	\$ 21,637	\$ 13,204	\$ 20,552	\$ 55,393
At April 1, 2024	\$ 10,617	\$ 21,040	\$ 9,367	\$ 41,024
At March 31, 2025	\$ 14,971	\$ 15,025	\$ 14,478	\$ 44,474

**NOTE 12 – INTANGIBLE ASSETS****MATERIAL ACCOUNTING POLICIES**

Intangible assets are recorded initially at cost of acquisition or development and relate primarily to software and spectrum licences. Wireless spectrum licenses have been purchased from ISED. These licenses allow the Corporation to use radio frequencies to enable wireless services and have been recorded at directly attributable cost less any accumulated impairment losses. Internally generated intangible assets relate primarily to software. An intangible asset is recognized when it is probable that the expected future economic benefits attributable to the asset will flow to the Corporation and the cost of the asset can be measured reliably.

**Note 12 – Intangible assets, continued**

Software development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Corporation intends to and has sufficient resources to complete development and to use or sell the asset. The expenditures capitalized include the cost of materials, direct labour, and related costs that are directly attributable to preparing the asset for its intended use. Borrowing costs related to the development of qualifying assets are capitalized. Other development expenditures are recognized in net income as incurred.

Capitalized software is measured at cost less accumulated amortization and any accumulated impairment losses.

Costs associated with maintaining software as well as expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized as an expense as incurred.

Amortization is recognized in net income on a straight-line basis over the estimated useful lives of the assets as follows:

<b>Asset</b>	<b>Estimated useful life</b>
Software	1 – 10 years

**ACCOUNTING ESTIMATES AND JUDGMENTS**

Judgment is applied to determine expenditures eligible for capitalization, the method of amortization, the appropriate timing for cessation of cost capitalization, and classification of spectrum licenses as indefinite-life intangible assets.

Spectrum licences have been classified as indefinite-life intangible assets due to the current licencing terms, the most significant of which are minimal renewal fees and no regulatory precedent of material licence revocation. Should these factors change, the classification of indefinite-life will be reassessed.

Estimation is applied to determine expected useful lives used in the amortization of intangible assets with finite lives. Changes in accounting estimates can result from changes in useful life or the expected pattern of consumption of an asset (taken into account by changing the amortization period or method, as appropriate).

If there is an indication that an asset may be impaired, the Corporation performs an impairment test for the CGU. There can be no assurance that the estimates and assumptions used in the impairment tests will prove to be accurate predictions of the future. Unexpected declines in future cash flow potential or significant unanticipated technology changes could impact carrying values and the potential for impairment.

**Impairment testing for the CGU containing indefinite-life intangible assets**

In performing its impairment test, the Corporation determined the recoverable amount of its single CGU (telecommunications) with indefinite-life intangible assets 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.

## Note 12 – Intangible assets, continued

**SUPPORTING INFORMATION**

Thousands of dollars	Software	Spectrum licences	Under development	Total
<b>Cost</b>				
<b>Balance at April 1, 2025</b>	\$ 180,621	\$ 287,249	\$ 30,233	\$ 498,103
Acquisitions	7,295	420	18,978	26,693
Acquisitions – internally developed	4,662	-	1,115	5,777
Transfers	15,344	-	(15,344)	-
Retirements, disposals and adjustments	(32,696)	-	-	(32,696)
<b>Balance at March 31, 2026</b>	\$ 175,226	\$ 287,669	\$ 34,982	\$ 497,877
Balance at April 1, 2024	\$ 219,992	\$ 274,374	\$ 26,825	\$ 521,191
Acquisitions	11,356	12,875	7,864	32,095
Acquisitions – internally developed	2,288	-	1,195	3,483
Transfers	3,311	-	(3,311)	-
Retirements, disposals and adjustments	(56,326)	-	(2,340)	(58,666)
Balance at March 31, 2025	\$ 180,621	\$ 287,249	\$ 30,233	\$ 498,103
<b>Accumulated amortization</b>				
<b>Balance at April 1, 2025</b>	\$ 107,156	\$ -	\$ -	\$ 107,156
Amortization	24,727	-	-	24,727
Retirements, disposals and adjustments	(32,422)	-	-	(32,422)
<b>Balance at March 31, 2026</b>	\$ 99,461	\$ -	\$ -	\$ 99,461
Balance at April 1, 2024	\$ 134,819	\$ -	\$ -	\$ 134,819
Amortization	28,022	-	-	28,022
Retirements, disposals and adjustments	(55,685)	-	-	(55,685)
Balance at March 31, 2025	\$ 107,156	\$ -	\$ -	\$ 107,156
<b>Carrying amounts</b>				
<b>At April 1, 2025</b>	\$ 73,465	\$ 287,249	\$ 30,233	\$ 390,947
<b>At March 31, 2026</b>	\$ 75,765	\$ 287,669	\$ 34,982	\$ 398,416
At April 1, 2024	\$ 85,173	\$ 274,374	\$ 26,825	\$ 386,372
At March 31, 2025	\$ 73,465	\$ 287,249	\$ 30,233	\$ 390,947

## NOTE 13 – SINKING FUNDS

### MATERIAL ACCOUNTING POLICIES

Sinking funds have been classified as fair value through other comprehensive income (OCI) because the Corporation intends to match the duration of the financial assets to the duration of the debt that the assets are funding and therefore the business model is both hold to collect and sell. The investments are managed through the Saskatchewan Ministry of Finance who makes purchase and sale decisions in accordance with the Corporation's documented risk management and investment strategy. Subsequent to initial recognition, financial assets at fair value through OCI are measured at fair value. Realized gains or losses are recorded in net income and unrealized gains and losses are recorded in OCI.

### SUPPORTING INFORMATION

Under conditions attached to the long-term debt, the Corporation is required to pay annually into sinking funds, administered by the Saskatchewan Ministry of Finance, amounts representing 1% to 2% of the debt outstanding.

The fund includes the Corporation's required contributions, its proportional share of earnings and its proportional share of revaluation gains or losses.

The changes in the carrying amount of sinking funds are as follows:

Thousands of dollars	Note	2026	2025
<b>Balance at April 1,</b>		\$ 165,817	\$ 136,192
Instalments	21b	27,378	24,378
Redemptions	21b	(8,888)	(4,634)
Realized earnings	5, 21b	5,847	5,223
Net valuation adjustment	21b	(4,565)	4,658
<b>Balance at March 31,</b>		\$ 185,589	\$ 165,817
Current portion		-	8,193
Long-term portion		185,589	157,624
<b>Balance at March 31,</b>		\$ 185,589	\$ 165,817

Sinking fund instalments due in each of the next five years are as follows:

Years ending March 31,	Thousands of dollars
2027	\$ 35,878
2028	35,003
2029	33,903
2030	33,903
2031	32,903

## NOTE 14 – NOTES PAYABLE

### MATERIAL ACCOUNTING POLICIES

The Corporation initially recognizes notes payable issued on the date that they are originated at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

### SUPPORTING INFORMATION

Notes payable are due to the Province of Saskatchewan's General Revenue Fund (GRF). These notes have varying maturities from April 2, 2026 to August 27, 2026, and have a weighted average interest rate of 2.25% (2024-25 – 2.75%).

## NOTE 15 – CONTRACT LIABILITIES

### MATERIAL ACCOUNTING POLICIES

A contract liability is recognized when consideration is received in advance of the transfer of products or services to the customer. Contract assets and liabilities relating to the same contract are presented on a net basis. Contract liabilities are recognized in revenue upon satisfaction of the related performance obligations.

### SUPPORTING INFORMATION

<b>As at March 31,</b> Thousands of dollars	<b>2026</b>	2025
<b>Balance at April 1,</b>	<b>\$ 56,665</b>	\$ 61,802
Net additions	<b>61,702</b>	56,089
Revenue recognized <sup>1</sup>	<b>(56,186)</b>	(61,226)
Sale of accounts	<b>(1,054)</b>	-
<b>Total contract liabilities</b>	<b>\$ 61,127</b>	\$ 56,665
Current portion	<b>61,007</b>	56,486
Long-term portion	<b>120</b>	179
<b>Balance at March 31,</b>	<b>\$ 61,127</b>	\$ 56,665

<sup>1</sup> Revenue recognized in the reporting period that was included in the contract liability balance at the beginning of the period

## NOTE 16 – DEFERRED INCOME – GOVERNMENT FUNDING

### MATERIAL ACCOUNTING POLICIES

Government grants are recognized initially as deferred income when there is reasonable assurance that they 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 the Consolidated Statement of Income and Other Comprehensive Loss on a systematic basis in the same period in which the expenses are recognized. Grants that compensate the Corporation for the cost of an asset are recognized in the Consolidated Statement of Income and Other Comprehensive Loss on a systematic basis over the useful life of the asset.

### SUPPORTING INFORMATION

The Corporation has received funding from the Province of Saskatchewan through CIC and the Ministry of Education, as well as the Government of Canada through Aboriginal Affairs and Northern Development Canada (AANDC), and ISED, as full or partial funding of various programs, including; internet service to selected First Nations schools and health facilities in Saskatchewan, the First Nations Service Improvement Project, the Connecting Canadians program for the provision of access to high speed internet in rural and remote parts of Saskatchewan, and provision of dedicated internet service to specific First Nations offices and Tribal Council offices. The Corporation has fulfilled all obligations with respect to these programs.

The Corporation has an agreement with ISED through the Universal Broadband Fund to receive \$139 million to partially fund fibre broadband network and new and upgraded wireless sites in northern and Indigenous communities in Saskatchewan. The Corporation has received funding of \$15.5 million which has been applied to capital. Additional spending will be conducted in the next fiscal year.

As at March 31,	2026			2025
Thousands of dollars	Fully funded programs with all obligations fulfilled	Universal Broadband Fund	Total	Total
<b>Balance at April 1,</b>	\$ 13,903	\$ 5,339	\$ 19,242	\$ 15,362
Funding accrued	-	36,226	36,226	4,396
Funding received	-	14,511	14,511	943
<b>Total government funding</b>	<b>13,903</b>	<b>56,076</b>	<b>69,979</b>	20,701
Amortization	1,459	2,194	3,653	1,459
<b>Total net government funding</b>	<b>\$ 12,444</b>	<b>\$ 53,882</b>	<b>\$ 66,326</b>	\$ 19,242
Current portion - within other liabilities	1,459	56	1,515	1,459
Long-term portion	10,985	53,826	64,811	17,783
<b>Balance at March 31,</b>	<b>\$ 12,444</b>	<b>\$ 53,882</b>	<b>\$ 66,326</b>	\$ 19,242

## NOTE 17 – LONG-TERM DEBT

### MATERIAL ACCOUNTING POLICIES

The Corporation initially recognizes debt securities issued and subordinated liabilities on the date that they are originated at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire.

### SUPPORTING INFORMATION

<b>As at March 31,</b> Thousands of dollars	Note	<b>2026</b>	2025
<b>Balance at April 1,</b>		<b>\$ 1,730,869</b>	\$ 1,632,132
Long-term debt issuances		<b>199,073</b>	148,886
Long-term debt repayments		<b>(50,000)</b>	(50,000)
Amortization of net premiums	21b	<b>(81)</b>	(149)
<b>Balance at March 31,</b>		<b>\$ 1,879,861</b>	\$ 1,730,869
Current portion		-	50,000
Long-term portion		<b>1,879,861</b>	1,680,869
<b>Balance at March 31,</b>		<b>\$ 1,879,861</b>	\$ 1,730,869

## Note 17 – Long-term debt, continued

Unsecured advances from the Province of Saskatchewan:

Thousands of dollars

Issue date	Maturity date	Effective interest rate (%)	Coupon rate (%)	Par value	Unamortized premiums (discounts)	Outstanding amount March 31,	
						2026	2025
December 2010	December 2025	4.15	4.15	\$ -	\$ -	\$ -	\$ 50,000
December 2017	June 2027	2.56	2.65	50,000	52	50,052	50,095
March 1999	March 2029	5.18	5.60	35,000	-	35,000	35,000
March 1999	March 2029	5.97	5.75	75,000	(436)	74,564	74,433
February 2021	June 2030	1.51	2.20	50,000	1,389	51,389	51,712
February 2023	June 2031	3.95	3.95	50,000	-	50,000	50,000
May 2023	June 2033	4.01	3.90	50,000	(331)	49,669	49,629
December 2023	June 2033	4.35	3.90	50,000	(1,383)	48,617	48,454
April 2025	June 2035	3.88	3.80	100,000	(616)	99,384	-
December 2025	December 2035	3.67	3.67	50,000	-	50,000	-
February 2012	February 2042	3.49	3.40	150,000	(1,535)	148,465	148,393
December 2013	June 2045	4.09	3.90	150,000	(3,840)	146,160	146,028
December 2016	June 2048	3.35	3.30	75,000	(576)	74,424	74,407
May 2017	June 2048	3.22	3.30	50,000	600	50,600	50,619
April 2019	June 2050	2.81	3.10	100,000	4,988	104,988	105,132
April 2020	June 2050	2.57	3.10	100,000	9,539	109,539	109,823
September 2021	December 2052	2.67	2.80	245,000	5,874	250,874	251,025
May 2022	December 2052	4.09	2.80	50,000	(10,398)	39,602	39,388
June 2023	December 2054	4.28	4.20	100,000	(1,233)	98,767	98,746
June 2024	December 2054	4.32	4.20	100,000	(1,929)	98,071	98,037
December 2024	December 2054	4.10	4.20	50,000	854	50,854	50,870
December 2025	December 2056	4.43	4.40	50,000	(254)	49,746	-
June 2018	June 2058	3.01	2.95	50,000	(563)	49,437	49,426
June 2020	June 2060	2.37	2.35	100,000	(341)	99,659	99,652
<b>Total due to Province of Saskatchewan</b>				\$ 1,880,000	\$ (139)	\$ 1,879,861	\$ 1,730,869

As at March 31, 2026, principal repayments due in each of the next five years were as follows:

Thousands of dollars	Years ending March 31,				
	2027	2028	2029	2030	2031
Principal repayments	\$ -	\$ 50,000	\$ 110,000	\$ -	\$ 50,000

There is a requirement attached to above advances to make annual payments into sinking funds in amounts representing 1% to 2% of the original issue. The cumulative annual payments plus interest earned are used for the retirement of debt issues upon maturity, on a net basis (see Note 13 – Sinking funds).

## NOTE 18 – LEASE LIABILITIES

### MATERIAL ACCOUNTING POLICIES

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if readily determinable, otherwise, the Corporation uses its incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability include the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Corporation under residual value guarantees;
- the exercise price of a purchase option if the Corporation is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Corporation exercising an option to terminate the lease.

After initial recognition, the lease liability is measured by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term is calculated using the effective interest method resulting in a constant periodic rate of interest on the remaining balance of the lease liability. The periodic rate of interest is the initial discount rate or, if applicable, a revised discount rate.

Amounts recognized in net income, unless the costs are included in the carrying amount of another asset applying other applicable standards, include:

- interest on the lease liability; and
- variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The Corporation has not elected to utilize the recognition exemption for short-term or low-value leases.

*Note 18 – Lease liabilities, continued***SUPPORTING INFORMATION****Maturity analysis - contractual undiscounted cash flows****As at March 31,**

Thousands of dollars	2026	2025
Less than one year	\$ 11,043	\$ 9,329
One to five years	28,178	24,168
More than five years	37,555	23,664
<b>Total undiscounted lease liabilities at March 31,</b>	<b>\$ 76,776</b>	<b>\$ 57,161</b>

**Discounted lease liabilities included in the consolidated statement of financial position****As at March 31,**

Thousands of dollars	2026	2025
Current portion	\$ 9,054	\$ 7,932
Long-term portion	46,910	39,023
<b>Total discounted lease liabilities</b>	<b>\$ 55,964</b>	<b>\$ 46,955</b>

**Amounts recognized in the consolidated statement of income and other comprehensive loss****For the year ended March 31,**

Thousands of dollars	Note	2026	2025
<b>Total discounted lease liabilities</b>	5	<b>\$ 1,961</b>	<b>\$ 1,534</b>

**Amounts recognized in the consolidated statement of cash flows****For the year ended March 31,**

Thousands of dollars	2026	2025
Interest paid on lease liabilities	\$ 1,961	\$ 1,534
Lease liability principal payments	9,104	7,222
Loss on disposal of leases and adjustments	(26)	17
<b>Total cash outflow for leases</b>	<b>\$ 11,039</b>	<b>\$ 8,773</b>

**NOTE 19 – EMPLOYEE BENEFITS**

The Corporation has a defined benefit pension plan (Plan A), a service recognition defined benefit plan (Plan B), and a defined contribution pension plan (Plan C).

**MATERIAL ACCOUNTING POLICIES****Defined benefit plans**

The Corporation's net obligation in respect of the defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; discounting that amount and deducting the fair value of plan assets.

The calculation of the net defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Corporation, the recognized asset

### Note 19 – Employee benefits, continued

is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan e.g., the asset ceiling limit. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Corporation determines the net interest expense (income) on the net defined liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in net income.

When the benefits of the plan are changed or when the 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 income. The Corporation recognizes gains and losses on the settlement of the defined benefit plan when the settlement occurs.

### Defined contribution plan

A defined contribution plan is a post-employment benefit under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution pension plan are recognized as an employee benefit expense in salaries, wages and benefits on the Consolidated Statement of Income and Other Comprehensive Loss in the periods during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

### Short-term benefits

Short-term employee benefit obligations are expensed as the related service is provided.

## ACCOUNTING ESTIMATES AND JUDGMENTS

The most significant assumptions used to calculate the net employee benefit plan's obligation include: the discount rate, the indexing assumption, and the mortality rate. The discount rate is the interest rate used to determine the present value of the future cash flows that the Corporation expects will be required to settle employee benefit obligations. It is based on the yield of long-term, high-quality, corporate fixed income investments (AA credit-rated bonds) with terms reflecting the profile of the plan members. The indexing assumption is the estimate of the future inflation rate which impacts the future liabilities of the plan. The mortality rate impacts the future liability based on the estimated life expectancy of plan members. The Corporation consults with an actuary regarding these assumptions on at least an annual basis.

The Corporation determines the appropriate discount rates at the end of each reporting period and the indexing assumptions and mortality rates at least at each actuarial study date. Changes in these assumptions could have an effect on the Corporation's cash flows through an effect on the projected benefit obligation. Lower discount rates and mortality rates result in a higher obligation while lower indexing assumptions result in a lower obligation. The combined impact of the assumptions could, at some point, require additional contributions to the plan.

An actuarial valuation for accounting purposes was performed at March 31, 2023. Under current Canada Revenue Agency (CRA) guidelines, an actuarial valuation for funding purposes is to be completed, at a minimum, every three years. The Corporation has received a one-year exemption from performing a valuation for the year ended March 31, 2026 as the wind-up process is completed.

## Note 19 – Employee benefits, continued

**SUPPORTING INFORMATION**

On February 27, 2026, it was announced that the SaskTel Pension Plan would be terminated. The SaskTel Pension Plan Board of Directors is currently in the process of termination and winding-up the Plan under the supervision of the Financial and Consumer Affairs Authority of Saskatchewan (FCAA). The wind up is subject to approval by the FCAA which is expected to occur in 2026. The Plan is expected to be settled in 2027 through the purchase of annuity contracts for all members of the Pension Plan.

**Defined benefit obligation****Actuarial assumptions**

As at March 31,	2026		2025	
	Plan A	Plan B	Plan A	Plan B
Discount rate - end of year	4.80%	4.40%	4.50%	4.10%
Inflation rate	2.25%	-	2.25%	-
Expected salary increase	-	2.0% per annum	-	2.0% per annum
Post-retirement index	1.60%	-	1.60%	-
Future mortality	CPM 2014 Private	-	CPM 2014 Private	-
Estimated average remaining employee service life	-	6.8 years	-	7.1 years

At March 31, 2026, the weighted average duration of the defined benefit obligation was 9.2 years (2024-25 – 9.4 years).

Future mortality is based on Canadian Pensioners' Mortality (CPM) 2014 Private with Improvement Scale MI-107 has been adjusted 100% for males and 110% for females.

**Sensitivity analysis**

The following illustrates the effect on the obligations of the plans of changing certain actuarial assumptions while holding other assumptions constant:

As at March 31, 2026 Thousands of dollars	Defined benefit obligation <sup>1</sup>			
	Plan A		Plan B	
	Increase	Decrease	Increase	Decrease
Discount rate	\$ (58,709)	\$ 68,730	\$ (279)	\$ 307
Inflation	(36,661)	(7,961)	-	-
Future indexing	25,576	(66,420)	-	-
Salary increase	-	-	309	(286)

<sup>1</sup> All values in table represent 100 basis points movement.

## Note 19 – Employee benefits, continued

**Movement in the present value of the defined benefit obligation**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components:

For the year ended March 31, Thousands of dollars	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability (Plan B)	
	2026	2025	2026	2025	2026	2025
<b>Balance at April 1,</b>	<b>\$ 745,888</b>	\$ 753,429	<b>\$ (737,818)</b>	\$ (744,817)	<b>\$ 8,070</b>	\$ 8,612
<b>Included in net income</b>						
Non-investment management expenses	-	-	581	464	581	464
Interest expense (income)	32,152	34,678	(36,845)	(39,624)	(4,693)	(4,946)
<b>Total included in net income</b>	<b>32,152</b>	34,678	<b>(36,264)</b>	(39,160)	<b>(4,112)</b>	(4,482)
<b>Included in OCI</b>						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	40	(36)	-	-	40	(36)
Financial assumptions	(18,131)	19,465	-	-	(18,131)	19,465
Return on plan assets excluding interest income	-	-	30,068	(14,472)	30,068	(14,472)
Effect of asset ceiling limit	-	-	(7,610)	91	(7,610)	91
<b>Total included in OCI</b>	<b>(18,091)</b>	19,429	<b>22,458</b>	(14,381)	<b>4,367</b>	5,048
<b>Benefits paid</b>	<b>(61,480)</b>	(61,648)	<b>60,138</b>	60,540	<b>(1,342)</b>	(1,108)
<b>Balance at March 31,</b>	<b>\$ 698,469</b>	\$ 745,888	<b>\$ (691,486)</b>	\$ (737,818)	<b>\$ 6,983</b>	\$ 8,070

**Plan assets**

The asset allocation of the defined benefit pension plan is as follows:

As at March 31, Asset Category	2026	2025
Pooled bond funds	80.0%	69.4%
Pooled real estate	9.7%	12.9%
Pooled mortgage fund	9.4%	16.9%
Short-term investments	0.9%	0.8%
<b>Total</b>	<b>100.0%</b>	100.0%

**Defined contribution plan**

The defined contribution pension plan, requires the Corporation to contribute 7.45% of employees' pensionable earnings, and employees to contribute a minimum of 4.45% of pensionable earnings. The total cost for the defined contribution plan is equal to the Corporation's required contribution. For the year ended March 31, 2026, the Corporation's pension cost and employer contributions for the Public Employees Pension Plan (PEPP) were \$23.9 million (2024-25 – \$22.7 million).

## NOTE 20 – EQUITY ADVANCE AND CAPITAL DISCLOSURES

### SUPPORTING INFORMATION

The Corporation has previously received equity advances from CIC to form its equity capitalization.

Due to its ownership structure, the Corporation has no access to capital markets for internal equity. Equity advances in the Corporation are determined by the shareholder on an annual basis. Dividends to CIC 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 a 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 revenue and still meet fixed payment obligations. The ratio is calculated as net debt, excluding lease liabilities, divided by capitalization at the end of the year.

The Corporation reviews the debt ratio targets of all its subsidiaries on an annual basis to ensure consistency with industry standards. This review includes subsidiary corporations' plans for capital spending. The target debt ratios for subsidiaries are approved by the Board. The Corporation uses targeted debt ratios to compile a weighted average debt to equity ratio for the consolidated entity. The target ratio was 55.6% (2024-25 – 56.7%).

The Corporation raises most of its capital requirements through internal operating activities and long-term debt through the Saskatchewan Ministry of Finance. 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.

The debt ratio is as follows:

<b>As at March 31,</b> Thousands of dollars	Note	<b>2026</b>	2025
Long-term debt	17	<b>\$ 1,879,861</b>	\$ 1,730,869
Notes payable		<b>179,106</b>	213,972
Less: Sinking funds	13	<b>185,589</b>	165,817
Cash		<b>15,568</b>	21,641
Net debt <sup>1</sup>		<b>1,857,810</b>	1,757,383
Province of Saskatchewan's equity <sup>2</sup>		<b>1,405,667</b>	1,351,790
<b>Capitalization</b>		<b>\$ 3,263,477</b>	\$ 3,109,173
<b>Debt ratio</b>		<b>56.9%</b>	56.5%

<sup>1</sup> Net debt excludes lease liabilities.

<sup>2</sup> Equity includes equity advances, accumulated other comprehensive income and retained earnings at the end of the period.

## NOTE 21 – CONSOLIDATED STATEMENT OF CASH FLOWS – SUPPORTING INFORMATION

### A) NET CHANGE IN NON-CASH WORKING CAPITAL

For year ended March 31,  
Thousands of dollars

	2026	2025
<b>Net change in non-cash working capital balances related to operations</b>		
Trade and other receivables	\$ (77,927)	\$ 2,318
Inventories	8,541	6,953
Prepaid expenses	(1,304)	(2,827)
Contract assets	1,382	2,340
Contract costs	26,685	4,702
Trade and other payables	24,156	3,076
Contract liabilities	4,462	(5,137)
Other liabilities	35,967	3,994
<b>Total net change in non-cash working capital balances related to operations</b>	<b>\$ 21,962</b>	<b>\$ 15,419</b>

## Note 21 – Consolidated statement of cash flows – supporting information, continued

**B) RECONCILIATION OF CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES**

Thousands of dollars	Assets		Liabilities			Total
	Sinking funds	Long-term debt	Notes payable	Lease liabilities	Dividend payable	
<b>Balance at April 1, 2025</b>	<b>\$ (165,817)</b>	<b>\$ 1,730,869</b>	<b>\$ 213,972</b>	<b>\$ 46,955</b>	<b>\$ 5,883</b>	<b>\$ 1,831,862</b>
<b>Changes from financing cash flows</b>						
Proceeds from loans and borrowings	-	199,073	1,133,389	-	-	1,332,462
Repayment of long-term debt and lease liabilities	-	(50,000)	(1,168,255)	(9,104)	-	(1,227,359)
Sinking fund redemptions	8,888	-	-	-	-	8,888
Instalments	(27,378)	-	-	-	-	(27,378)
Dividends paid	-	-	-	-	(36,063)	(36,063)
<b>Total changes from financing cash flows</b>	<b>(18,490)</b>	<b>149,073</b>	<b>(34,866)</b>	<b>(9,104)</b>	<b>(36,063)</b>	<b>50,550</b>
<b>Other changes</b>						
Dividends declared	-	-	-	-	41,872	41,872
Sinking fund earnings	(5,847)	-	-	-	-	(5,847)
Sinking fund valuation adjustments	4,565	-	-	-	-	4,565
New leases and assumption changes	-	-	-	18,113	-	18,113
Amortization of net premium on long-term debt	-	(81)	-	-	-	(81)
<b>Total other changes</b>	<b>(1,282)</b>	<b>(81)</b>	<b>-</b>	<b>18,113</b>	<b>41,872</b>	<b>58,622</b>
<b>Balance at March 31, 2026</b>	<b>\$ (185,589)</b>	<b>\$ 1,879,861</b>	<b>\$ 179,106</b>	<b>\$ 55,964</b>	<b>\$ 11,692</b>	<b>\$ 1,941,034</b>

Thousands of dollars	Assets		Liabilities			Total
	Sinking funds	Long-term debt	Notes payable	Lease liabilities	Dividend payable	
<b>Balance at April 1, 2024</b>	<b>\$ (136,192)</b>	<b>\$ 1,632,132</b>	<b>\$ 159,759</b>	<b>\$ 43,015</b>	<b>\$ 9,449</b>	<b>\$ 1,708,163</b>
<b>Changes from financing cash flows</b>						
Proceeds from loans and borrowings	-	148,886	1,222,713	-	-	1,371,599
Repayment of borrowings	-	(50,000)	(1,168,500)	(7,222)	-	(1,225,722)
Sinking fund redemptions	4,634	-	-	-	-	4,634
Instalments	(24,378)	-	-	-	-	(24,378)
Dividends paid	-	-	-	-	(36,449)	(36,449)
<b>Total changes from financing cash flows</b>	<b>(19,744)</b>	<b>98,886</b>	<b>54,213</b>	<b>(7,222)</b>	<b>(36,449)</b>	<b>89,684</b>
<b>Other changes</b>						
Dividends declared	-	-	-	-	32,883	32,883
Sinking fund earnings	(5,223)	-	-	-	-	(5,223)
Sinking fund valuation adjustments	(4,658)	-	-	-	-	(4,658)
New leases and assumption changes	-	-	-	11,162	-	11,162
Amortization of net premium on long-term debt	-	(149)	-	-	-	(149)
<b>Total other changes</b>	<b>(9,881)</b>	<b>(149)</b>	<b>-</b>	<b>11,162</b>	<b>32,883</b>	<b>34,015</b>
<b>Balance at March 31, 2025</b>	<b>\$ (165,817)</b>	<b>\$ 1,730,869</b>	<b>\$ 213,972</b>	<b>\$ 46,955</b>	<b>\$ 5,883</b>	<b>\$ 1,831,862</b>

## NOTE 22 – FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

### MATERIAL ACCOUNTING POLICIES

The Corporation initially recognizes financial assets and financial liabilities in the consolidated financial statements at fair value (normally the transaction price) adjusted for transaction costs. Transaction costs related to financial assets or financial liabilities at fair value through profit or loss are recognized immediately in net income. Regular way purchases and sales of financial assets are accounted for on the trade date.

Financial instruments recorded at fair value on an ongoing basis are remeasured at each reporting date and changes in the fair value are recorded in either net income or OCI.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Corporation is recognized as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount presented in the Consolidated Statement of Financial Position when, and only when, the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### SUPPORTING INFORMATION

The Corporation is exposed to fluctuations in foreign exchange rates and interest rates. The Corporation uses financial instruments to manage these exposures. The Corporation mitigates the risk associated with these financial instruments through Board-approved policies, limits on use and amount of exposure, internal monitoring, and compliance reporting to senior management and the Board. The Corporation's financial risks have not changed significantly from the prior period.

#### Interest rate risk

Interest rate risk represents the potential for loss from changes in the value of financial instruments related to interest rate movements. Interest rate risk primarily impacts the value of sinking fund investments and debt refinancing.

The Corporation has on deposit with the Province of Saskatchewan, under the administration of the Ministry of Finance, \$185.6 million (2024-25 – \$165.8 million) in sinking funds, which is required for certain long-term debt issues. At March 31, 2026, the General Revenue Fund (GRF) has invested these funds primarily in Provincial and Federal government bonds with varying maturities to coincide with related debt maturities and they are managed based on this maturity profile and market conditions. Fluctuations in interest rates may have a material impact on other comprehensive income. Specifically, a 1% increase in interest rates could result in a \$16.9 million (2024-25 – \$14.4 million) unfavourable effect to other comprehensive income while a 1% decrease in interest rates could result in a \$16.9 million (2024-25 – \$14.4 million) favourable effect to other comprehensive income.

The Corporation is exposed to fair value interest rate risk on its fixed rate long-term borrowings. Changes in market interest rates affect the fair value of fixed rate debt. The fair value of long-term debt is estimated using a discounted cash flow approach by discounting contractual cash flows using current market yields for instruments with similar maturity and credit risk. The risk on this debt is considered low and is managed through its treasury policies. As a result, the Corporation has no financial contracts in place to offset interest rate risk as of March 31, 2026 and has not provided a sensitivity analysis of the impact of interest rate changes on net income.

## Note 22 – Financial instruments and related risk management, continued

### 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.

Current credit risk relates to trade and other receivables, including device financing receivables, unbilled revenue, and interest receivable, as well as contract assets and sinking funds.

The carrying amount of financial assets represents the maximum credit exposure as follows:

<b>As at March 31,</b> Thousands of dollars	Note	<b>2026</b>	2025
Cash		\$ 15,568	\$ 21,641
Trade and other receivables	6	296,901	220,330
Contract assets	8	101,143	102,525
Sinking funds	13	185,589	165,817
<b>Total assets subject to credit risk</b>		<b>\$ 599,201</b>	<b>\$ 510,313</b>

The Corporation is exposed to concentrations of credit risk where a limited number of counterparties account for a significant portion of revenue or receivables. Management considers a concentration to exist when a single party represents more than 10% of annual revenue or more than 10% of the carrying amount of receivables at the reporting date.

At March 31, 2026, receivables from the Corporation's two largest counterparties totaled \$120.0 million (2024-25 - one counterparty totaled \$63.0 million), representing a significant portion of total receivables.

### Trade and other receivables

The Corporation considers evidence of impairment for trade and other receivables at both a specific asset and collective level. Trade and other receivables and unbilled revenue are diversified among many residential, farm, and commercial customers primarily throughout Saskatchewan.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for impairment by grouping together receivables with similar risk characteristics, specifically based on business segment, an aging of the accounts within each segment, and default probabilities within each segment.

In assessing collective impairment, the Corporation uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current or future economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

**Note 22 – Financial instruments and related risk management, continued**

The allowance for expected credit losses, which provides an indication of potential impairment losses, is reviewed regularly based on an analysis of the aging of customer accounts receivable, an estimate of outstanding amounts that are considered to be uncollectible, and future collection policy and impacts of the economic environment:

<b>As at March 31,</b> Thousands of dollars	Note	<b>2026</b>	2025
<b>Balance at April 1,</b>		<b>\$ 5,790</b>	\$ 3,425
Less: accounts written off		<b>(6,477)</b>	(7,368)
Recoveries		<b>1,420</b>	2,054
Provisions for losses		<b>4,485</b>	7,679
<b>Balance at March 31,</b>	6	<b>\$ 5,218</b>	\$ 5,790

The aging of trade and other receivables is detailed as follows:

<b>As at March 31,</b> Thousands of dollars	Note 6	<b>2026</b>	2025
Trade receivables			
Not past due		<b>\$ 57,577</b>	\$ 60,775
30–60 Days		<b>13,394</b>	11,420
61–90 Days		<b>5,398</b>	2,892
Greater than 90 Days		<b>10,843</b>	8,588
Other receivables not past due			
Customer financing receivables		<b>47,429</b>	43,862
Accrued receivables – customer		<b>3,064</b>	3,083
Federal government funding receivable		<b>40,623</b>	4,396
Other receivables <sup>1</sup>		<b>123,791</b>	91,104
Gross trade and other receivables		<b>302,119</b>	226,120
Allowance for expected credit losses		<b>(5,218)</b>	(5,790)
<b>Net customer accounts receivable</b>		<b>\$ 296,901</b>	\$ 220,330

<sup>1</sup> Other receivables are made up primarily of amounts collected by third parties on the Corporation's behalf and are deemed a low credit risk.

## Sinking funds

The credit risk related to sinking funds is assessed based on the credit risk rating of the investments held in the sinking funds. The Corporation considers a debt security to have low credit risk when its credit risk rating is equivalent to the definition of "investment grade". The Corporation considers this to be AA or higher per DBRS or Aa or higher per Moody's. Investments held within the sinking funds consist primarily of Provincial and Federal government bonds, which are rated investment grade. In addition, there have been no defaults of assets held within the sinking fund. As a result, sinking funds are considered to have low credit risk and no loss allowance is deemed necessary.

In addition, the Corporation maintains credit policies and limits in respect to short-term investments and counterparties to financial transactions.

## Note 22 – Financial instruments and related risk management, continued

### Liquidity risk

Liquidity risk is the risk that the Corporation is unable to meet its financial commitments as they become due. The Corporation is a Provincial Crown corporation and as such has access to capital markets through the Saskatchewan Ministry of Finance.

Sufficient operating cash flows are expected to be generated to fund short-term contractual obligations and the Corporation anticipates it will be able to refinance long-term debt upon maturity.

The following summarizes the contractual cash flows of the Corporation's financial liabilities:

As at March 31, 2026	Carrying amount	Total	Contractual cash flows					
			0–6 months	6–12 months	1–2 years	2–5 years	More than 5 years	
Thousands of dollars								
Long-term debt <sup>1,2</sup>	\$ 1,879,861	\$ 3,099,565	\$ 33,133	\$ 33,133	\$ 115,162	\$ 340,840	\$ 2,577,297	
Notes payable	179,106	179,726	179,726	-	-	-	-	
Trade and other payables	187,431	187,431	187,431	-	-	-	-	
<b>Total</b>	<b>\$ 2,246,398</b>	<b>\$ 3,466,722</b>	<b>\$ 400,290</b>	<b>\$ 33,133</b>	<b>\$ 115,162</b>	<b>\$ 340,840</b>	<b>\$ 2,577,297</b>	
As at March 31, 2025								
Long-term debt <sup>1,2</sup>	\$ 1,730,869	\$ 2,935,898	\$ 30,619	\$ 79,561	\$ 58,431	\$ 324,742	\$ 2,442,545	
Notes payable	213,972	214,432	214,432	-	-	-	-	
Trade and other payables	160,318	160,318	160,318	-	-	-	-	
<b>Total</b>	<b>\$ 2,105,159</b>	<b>\$ 3,310,648</b>	<b>\$ 405,369</b>	<b>\$ 79,561</b>	<b>\$ 58,431</b>	<b>\$ 324,742</b>	<b>\$ 2,442,545</b>	

1 Contractual cash flows for long-term debt include principal and interest payments but exclude sinking fund instalments.

2 Accrued interest is represented in the contractual cash flows of the associated financial liabilities.

Information on timing of lease liabilities' contractual cash flows can be found in *Note 18 – Lease liabilities*.

### Fair value of financial assets and liabilities

Fair values are approximate amounts at which financial instruments could be exchanged between willing parties based on current markets for instruments with similar characteristics, such as risk, principal, and remaining maturities. 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 judgment and future-oriented information, aggregate fair value amounts should not be interpreted as being realizable in an immediate settlement of the instruments.

As at March 31,	Note	Classification <sup>1</sup>	Fair value hierarchy <sup>2</sup>	2026		2025	
				Carrying amount	Fair value	Carrying amount	Fair value
Thousands of dollars							
<b>Financial assets</b>							
Sinking funds	13	FVOCI	Level 2	\$ 185,589	\$ 185,589	\$ 165,817	\$ 165,817
<b>Financial liabilities</b>							
Long-term debt	17	Amortized cost	Level 2	\$ 1,879,861	\$ 1,614,070	\$ 1,730,869	\$ 1,552,353
<b>Derivative financial instruments</b>							
Foreign exchange derivative asset		FVTPL	Level 2	\$ -	\$ -	\$ 783	\$ 783

1 Classification details are: FVOCI – fair value through OCI and FVTPL – fair value through profit and loss.

2 See *Note 2 – Basis of presentation* for discussion of the policies related to fair value measurements.

*Note 22 – Financial instruments and related risk management, continued***Financial instruments measured at amortized cost**

The carrying values of cash, trade and other receivables, trade and other payables, accrued interest, and notes payable approximate their fair values due to the short-term maturity of these financial instruments.

The fair value of long-term debt is determined by the present value of future cash flows, discounted at the market rate of interest for the equivalent Province of Saskatchewan debt instruments.

**Financial instruments measured at fair value through other comprehensive income**

The fair value of sinking funds, classified as fair value through OCI, is determined by management using information provided by the Saskatchewan Ministry of Finance.

**Financial instruments measured at fair value through profit and loss**

The fair value of foreign exchange derivative assets, classified as fair value through profit and loss, is determined using independent pricing information. The contracted cash flows are discounted using observable yield curves.

There were no financial instruments measured at fair value using Level 3 inputs and no items transferred between levels in either the current year or the prior year.

**NOTE 23 – RELATED PARTY TRANSACTIONS**

The Corporation is indirectly controlled by the Government of Saskatchewan through its ownership of the Corporation's parent, CIC. 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 "government-related entities"). 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.

Routine operating transactions with related parties were conducted in the normal course of business and were accounted for at the exchange amount. For the year ended March 31, 2026, the aggregate amount of the Corporation's transactions with other government-related entities are approximately 8.2% (2024-25 – 8.2%) of revenue, 8.1% (2024-25 – 7.9%) of operating expenses, and 1.5% (2024-25 – 2.0%) of property, plant and equipment expenditures. All loans (*Note 17 – Long-term debt*), sinking funds (*Note 13 – Sinking funds*), and dividends are transactions with government-related entities.

In addition, for the year ended March 31, 2026, the Corporation provided management and administrative services to the Corporation's defined benefit pension plan in the amount of \$0.4 million (2024-25 – \$0.3 million) on a cost recovery basis.

## KEY MANAGEMENT PERSONNEL COMPENSATION

In addition to their remuneration, the Corporation also provides non-cash benefits to directors and executive officers, either a defined benefit pension or a defined contribution pension, and a service recognition defined benefit pension.

For the year ended March 31,	2026	2025
Thousands of dollars		
<b>Total key management personnel compensation</b>	<b>\$ 4,881</b>	<b>\$ 4,960</b>

## NOTE 24 – COMMITMENTS AND CONTINGENCIES

### COMMITMENTS

As at March 31, 2026, the Corporation has the following significant commitments over the next five years:

- Operating activities \$153.4 million (2024-25 – \$160.0 million)
- Capital activities \$103.4 million (2024-25 – \$117.5 million)
- Foreign exchange contracts \$nil (2024-25 – \$49.9 million)

### CONTINGENCIES

#### Supporting information

In the normal course of operations, the Corporation becomes involved in various claims and litigation. While the final outcome with respect to claims and litigation pending at March 31, 2026, cannot be predicted with certainty, it is the opinion of management that their resolution will not have a material adverse effect on the Corporation's consolidated financial position or results of operations.

# CORPORATE GOVERNANCE

## AUTHORITY

SaskTel is a Crown corporation governed by *The Saskatchewan Telecommunications Holding Corporation Act*, and subject to the provisions of *The Crown Investments Corporation Act, 1993*. The Crown Investments Corporation of Saskatchewan (CIC), as the holding company for Saskatchewan's commercial Crown corporations, has authority to establish direction for SaskTel related to certain matters set out in legislation. Through the Chair, who is an independent director, the Board of Directors is accountable to the Minister Responsible for SaskTel. The Minister Responsible is a key communications link among the Corporation, CIC, Cabinet, the Legislature, and the public.

## BOARD APPOINTMENTS

The Lieutenant Governor in Council appoints members of the Board and designates the Chair and Vice Chair. Subject to applicable legislation, directors are appointed for a fixed term, and their appointments can be renewed at expiry. There are twelve (12) members on the Board.

## KEY ACCOUNTABILITIES

The Board of Directors is responsible for supervising the management and affairs of the Corporation. While focusing on the strategic leadership of the Corporation, the Board delegates day-to-day operations to management and holds them accountable for the Corporation's performance. The Board discharges its responsibilities directly, by delegation to management and through Committees of the Board.

There are three Committees of the Board: the Audit and Risk Committee; the Corporate Growth and Technology Committee; and the Governance, Environment and Human Resources Committee. More information on corporate governance can be found under [SaskTel's Corporate Governance Statement](#).

# BOARD OF DIRECTORS

SaskTel's Board of Directors is led by Board Chair Grant J. Kook.

Board member biographies and committee members can be viewed at [SaskTel's website](#).



**Grant J. Kook**  
Chair of the Board



**Don Atchison**  
Board Member



**Fern Boutin**  
Board Member



**Joel Friesen**  
Chair, Governance,  
Environment and Human  
Resources Committee



**Rachel Heidecker**  
Chair, Corporate Growth  
and Technology Committee



**Darrell Kennedy**  
Board Member



**Ritu Malhotra**  
Board Member



**Alan Migneault**  
Chair, Audit and  
Risk Committee



**Jeff Richards**  
Board Member



**Thomas Siarkos**  
Board Member



**Tammy Van  
Lambalgen**  
Board Member



**Dean Wilgosh**  
Board Member

# EXECUTIVE TEAM

SaskTel has a nine-member Executive team lead by President and CEO, Charlene Gavel.

Executive biographies can be viewed on [SaskTel's website](#).



**Charlene Gavel**

President and Chief Executive Officer



**David Ekstrand**

Vice President, Business  
Sales and Solutions



**Keith Jeannot**

Vice President, Consumer  
Sales and Solutions



**Nathan Kirkham**

Chief Information Officer



**Doug Kosloski**

Vice President, Corporate Counsel  
and Regulatory Affairs



**Shara McCormick**

Vice President, Human Resources  
and Corporate Services



**Greg Meister**

Vice President, Operations



**Chad Olson**

Chief Technology Officer




**Scott Smith**

Chief Financial Officer

# CONTACT US

 [sasktel.com](https://sasktel.com)

 1.800.SASKTEL (1.800.727.5835)

 [sasktel.com/about-us/contact-us](https://sasktel.com/about-us/contact-us)

 [facebook.com/SaskTel](https://facebook.com/SaskTel)

 @SaskTel

 @SaskTel

## SASKTEL HEAD OFFICE

2121 Saskatchewan Drive  
Regina SK S4P 3Y2

## SASKTEL INTERNATIONAL

1855 Lorne Street, 3rd Floor  
Regina SK S4P 3Y2  
P: (Toll Free) 1.877.242.9950  
E: [info@sasktelinternational.com](mailto:info@sasktelinternational.com)

## SASKTEL DISTRICT OFFICES

### Estevan

401 Kensington Avenue  
Estevan SK S4A 2B4

### Moose Jaw

55 Ominica Street West  
Moose Jaw SK S6H 1W8

### North Battleford

1201 100th Street  
North Battleford SK S9A 3Z9

### Prince Albert

Second Floor  
47 12th Street East  
Prince Albert SK S6V 1B3

### Saskatoon

838 48th Street East  
Saskatoon SK S7N 1Y7

### Swift Current

1831 North Service Road West  
Swift Current SK S9H 3T2

### Weyburn

1711 East Avenue  
Weyburn SK S4H 2Y7

### Yorkton

210 York Road West  
Yorkton SK S3N 3N4

### Yorkton - SecurTek

70 1st Avenue North  
Yorkton SK S3N 1J6  
P: (Toll Free) 1.844.321.2712  
E: [customer.relations@securtek.com](mailto:customer.relations@securtek.com)

For more information about SaskTel, our initiatives, and operations, please visit [about us](#).

To obtain additional copies of the 2025-26 SaskTel Annual Report, please call 1.306.777.3089.