

Annual Report

2024-25

Innovation Saskatchewan

Letters of Transmittal



The Honourable Warren
Kaeding
Minister Responsible for
Innovation

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for Innovation Saskatchewan for the fiscal year ending March 31, 2025.

The province’s research and technology sectors remain integral to Saskatchewan’s future economic success. Through its programs, policies and partnership Innovation Saskatchewan provides essential support to these areas.

In 2024-25, the agency continued to help Saskatchewan’s innovation sectors through operation of its two research and technology parks, programming support, and funding provided to key research institutes in our province.

In this report, you will read 2024-25 highlights from the six organizations Innovation Saskatchewan funds to further advance research and technology development in academia and industry in alignment with provincial priorities as well as how Innovation Saskatchewan’s program funding, sponsorships events and research and technology parks are being leveraged to support and advance companies and ground-breaking research the province’s core technology sectors.

Innovation Saskatchewan responsibly manages expenditures while ensuring it is accountable and responsive to the citizens it serves.

A handwritten signature in black ink that reads "Warren Kaeding". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Honourable Warren Kaeding
Minister Responsible for Innovation



Kari Harvey
CEO of Innovation
Saskatchewan

The Honourable Warren Kaeding
Minister Responsible for Innovation

Dear Minister:

I have the honour of submitting the Annual Report for Innovation Saskatchewan for the fiscal year ending March 31, 2025. This report has been prepared and carefully reviewed under my direction and accurately represents the activities and accomplishments of our agency during the past year.

A handwritten signature in black ink, appearing to read 'Kari Harvey'.

Kari Harvey
CEO of Innovation Saskatchewan

Organization Overview

This annual report for Innovation Saskatchewan presents the agency's results for the fiscal year ending March 31, 2025. It demonstrates the agency's commitment to effective public performance reporting, transparency and accountability.

Saskatchewan's Growth Plan: The Next Decade of Growth recognizes the impact innovation will have on the province's economic future. While Innovation Saskatchewan's mandate supports various goals, the most direct is the pivotal role the agency has in achieving the province's goal of tripling the growth of Saskatchewan's technology sector by 2030. Innovation Saskatchewan has several tools at its disposal to fulfill this role:

- Funding
- Programs and investments
- Research and technology parks
- Strategic relationships
- Marketing and communications

Innovation Saskatchewan's full-time equivalent utilization of 107.43 includes employees located at offices in its research and technology parks in Regina and Saskatoon. The parks include 26 buildings (1.80 million square feet) and are home to 159 tenants employing 3,704 people.

Mandate

Innovation Saskatchewan is the central agency of the Government of Saskatchewan with responsibility for implementing Saskatchewan's innovation priorities. Innovation Saskatchewan coordinates the strategic direction of the government's research and development and science and technology expenditures; provides advice on science and technology policy; coordinates the establishment and maintenance of science, research and development infrastructure; and provides advice and recommendations on research, development, demonstration and the commercialization of new technologies and innovative processes in Saskatchewan.

Mission

Supporting Saskatchewan's research community and technology sector to create economic growth and diversity.

Vision

Saskatchewan will be a leader in its capacity and ability to innovate, attracting companies and researchers from Canada and around the world.

Legislation

Innovation Saskatchewan is responsible for *The Innovation Saskatchewan Act* and *The Saskatchewan Technology Start-up Incentive Act*.

Board of Directors

The Board of Director's primary responsibility is to oversee the purpose, plans and policies of Innovation Saskatchewan. Members of the Board of Directors as at March 31, 2025, were:

Honourable Warren Kaeding (Chair)
Beginning January 22, 2025
Minister Responsible for Innovation; Minister of Trade and Export Development

Honourable David Marit
Beginning January 22, 2025
Minister of SaskBuilds and Procurement; Minister of Highways; Minister Responsible for the Global Transportation Hub

Honourable Ken Cheveldayoff
Beginning January 22, 2025
Minister of Advanced Education

We would like to thank the previous members of the Board of Directors whose appointments ended in 2024-25 for their dedication to the agency.

Honourable Jeremy Harrison
June 16, 2022 to October 1, 2024
Minister of Crown Investments Corporation and all of its commercial Crown Corporations; Minister Responsible for the Public Service Commission; Minister Responsible for Lotteries and Gaming Saskatchewan Corporation

Honourable Joe Hargrave
August 29, 2023 to May 27, 2024

Honourable Gordon Wyant K.C.
February 14, 2024 to May 17, 2024

Honourable Colleen Young
May 17, 2024 to October 1, 2024
Minister of Energy and Resources

Honourable Alana Ross
June 16, 2022 to October 1, 2024
Minister of Parks, Culture and Sport; Minister Responsible for the Status of Women, Tourism Saskatchewan and the Saskatchewan Liquor Gaming Authority and Francophone Affairs

Honourable Terry Jenson
May 27, 2024 to October 1, 2024
Minister of Social Services

Management Advisory Committees

Independent Management Advisory Committees in Regina and Saskatoon review and approval all tenants that locate within the research and technology parks. These committees are composed of representatives from the local business community, university and municipal government.

The members of the Saskatoon committee as at March 31, 2025, were:

Dr. Terry Fonstad
Associate Vice President, Research University of Saskatchewan

Ms. Alix Hayden
Director, Innovation Mobilization and Partnerships University of Saskatchewan

Mr. Greg Fowler
Vice President, Administration & Chief Operating Officer University of Saskatchewan

Mr. Drew Bell
Director, Information Technology City of Saskatoon

Mr. Brendan Reding
*Regional Director
National Research Council, Industrial Research
Assistance Program*

Mr. Jesse Merilees
*Vice President, Environment and Biotech
Division
Saskatchewan Research Council*

Ms. Erin Lawson
*CEO
Saskatoon Regional Economic Development
Authority*

The members of the Regina committee as at March 31, 2025, were:

Dr. Andrea Sterzuk
*Associate Vice President, Research
University of Regina*

Mr. Neil Paskewitz
*Associate Vice President, Facilities
Management
University of Regina*

Mr. Larry Hiles
*Chair
TEC (The Executive Committee) Canada*

Mr. Chad Jedlic
*Director, Land, Real Estate & Economic
Development
City of Regina*

Mr. Gregory Mack
*Director, Office of Research Partnerships &
Innovation, Office of Research Services
University of Regina*

Mr. Wayne Goranson
*Managing Director
Kvale Informatics Consulting Ltd.*

Mr. Chris Lane
*President & CEO
Economic Development Regina*

Mr. Brendan Reding
*Regional Director
National Research Council, Industrial Research
Assistance Program*

Progress on Goal 1: Ensure IS-funded research is creating economic impact and aligned with Saskatchewan's research and development priorities.

Research is supported through funding, infrastructure development and board directorship to ensure it aligns with provincial priorities, brings more researchers to the province, is industry-driven and provides a foundation for commercialization. These activities support the provincial economy and support advancement of provincial goals such as tripling growth in the tech sector, delivering on climate change plans and growing the agricultural and oil, gas and natural resource economies.

Work in this area supports the commercialization of innovative new research and technologies through partnerships with Innovation Saskatchewan's six funded research institutes, matching federal funding, encouraging industry engagement, collaboration and industry driven research and development projects, providing direct funding through programs such as the Innovation & Science Fund (ISF) and the Saskatchewan Advantage Innovation Fund (SAIF) and providing space for new and expanding researchers through its unique infrastructure such as labs and greenhouse space.

Strategy: *The approach we took to achieve our goal*

Increase industry and academic engagement, collaboration and industry-driven research and development projects.

Key Actions: *What we did to get there*

- Through the Agtech Growth Fund (AGF), accelerate development of agtech in Saskatchewan by supporting research and development (R&D) of cutting-edge agriculture technologies in the province and attracting investment from international agtech companies.
 - AGF received 15 expressions of interest during the year, with two projects recommended for funding by the program's external advisory committee.

Strategy: *The approach we took to achieve our goal*

Increase funding levels from the Government of Canada and other resources.

Key Actions: *What we did to get there*

- Provide matching federal funding through ISF for projects proposed by Saskatchewan universities, colleges and research institutes to attract and retain highly qualified personnel in the province.
 - Two projects through the University of Regina received a combined \$87,997 in funding in 2024-25. One related to the Aging, Residents and Caregivers Lab while the other is related to the Reproductive Mental Health Laboratory.
 - The Canadian Light Source (CLS) is receiving \$3 million over three years for an upgrade to its solid-state amplifier.
 - \$100,000 is being provided to the University of Saskatchewan for MS microscopes and equipment.

- \$400,000 was invested as a one-time event without a matching dollar amount from other sources in 2024-25 to support and expand nuclear research in the province. This investment supports project to grow capacity for innovative research in nuclear medicine and supporting the efforts of provincial partners deploying nuclear energy in Saskatchewan.
- In 2024-25, ISF underwent a program review to enhance program guidelines, reporting and project evaluation processes. Changes to the program will improve governance, measurement and storytelling.
- Provide funding through SAIF to consortiums of companies/organizations developing technological innovations that solve industry specific challenges.
 - Two intakes were held in 2024-25. Of the \$1.4 million in funding Innovation Saskatchewan committed in 2024-25, \$995,000 was dispersed.
 - Spring – 11 expressions of interest received; five projects short listed for the full proposal stage; three projects ultimately recommended for funding by the external advisory committee.
 - Fall – 12 expressions of interest received; six projects short listed for full proposal stage; three projects ultimately recommended for funding by the external advisory committee.

Strategy: *The approach we took to achieve our goal*

Develop partnerships, programs and policies to support the commercialization of innovative new technologies and the attraction of new companies, researchers and investment.

Key Actions: *What we did to get there*

- Provide support to the six key research and/or industry specific organizations through continued funding and participation on the organizations' Boards of Directors.
 - Innovation Saskatchewan continued to provide provincial funding to the six organizations that play an important role in advancing research and technological development in both academia and industry.
 - The achievements of these organizations continue to be promoted provincially, nationally and internationally.
 - Most of the organizations continue to be tenants of Innovation Saskatchewan's research and technology parks and benefit from the collaborative environment and amenities provided.
- CLS
 - CLS, Canada's only synchrotron, continues to play an important role in advancing research projects that align with provincial priorities in the areas of health, agriculture, environment and advanced materials.
 - Innovation Saskatchewan provides matching funding on behalf of the provincial government, representing roughly 10 per cent of CLS's operational funding.
 - A portion of the research conducted at CLS continues to align with the province's key economic sectors: health sciences (13 per cent of total), environmental sciences (13 per cent of total) and agricultural (nine per cent of total).
- Vaccine and Infectious Disease Organization (VIDO)
 - VIDO, Canada's Centre for Pandemic Research, is a world leader in infectious disease research and vaccine development for humans and animals.
 - The Government of Saskatchewan, through Innovation Saskatchewan, has provided VIDO with additional funding (\$15 million previously provided and a

further \$4.1 million commitment) to support the expansion of its facilities and the establishment of Canada's Centre for Pandemic Research. Work on this expansion continues to progress with additional funding being provided by the municipal, provincial and federal governments being provided/committed to address cost overruns. The facility expansion is expected to be completed in Fall 2026.

- VIDO has developed two vaccines to address future coronaviruses, COVAC-1 and COVAC-2. Clinical trials for these vaccines have progressed and are nearly complete as at the end of 2024-25.
- In January 2025, the Coalition for Epidemic Preparedness and Innovation (CEPI) announced \$24 million in funding for VIDO to support the development of a pan-sarbecovirus vaccine – a vaccine candidate designed specifically to protect against different types of potentially deadly coronaviruses.
- Saskatchewan Health Research Foundation (SHRF)
 - SHRF provides funding for high-impact and peer-reviewed health research that is relevant to the province.
 - Innovation Saskatchewan works with SHRF, providing almost 100 per cent of SHRF's budget, and the board members to encourage additional calls for projects that can lead to commercialization of health research and technology.
 - In October 2024, SHRF held the first Virtual Care Research Expo, where five successfully funded Solutions Program projects were selected to a pilot program to explore future technology implementation and potential commercial adoption of their solutions in Saskatchewan.
 - SHRF invested \$140,000 in 2024-25 through its Mobilize Grant: Truth and Action toward a variety of projects with the goal of connecting people in the province to health research and evidence they can use.
- International Minerals Innovation Institute (IMII)
 - IMII provides funding for both R&D projects as well as education and training (E&T) programs designed to support the mining labour market, including a focus on increasing the level of participation by women and Indigenous workers.
 - IMII completed the study it initiated in 2023 to assess the feasibility of carbon capture, utilization and sequestration (CCUS) hubs to mitigate greenhouse gas emissions from major mining operations in Saskatchewan. A series was published in September 2024 summarizing the three components of the study: geological, transportation and policy.
 - IMII invited ten innovative solutions providers to pitch their technologies at DEMOday 2024, including five Saskatchewan-based companies.
 - IMII awarded iMpowered scholarships to 13 students pursuing mining related postsecondary education in the 2024-25 academic year, totaling \$125,000.
- Petroleum Technology Research Centre (PTRC)
 - PTRC serves an important role in the development of enhanced oil recovery (EOR) technologies critical to maintaining and expanding Saskatchewan's petroleum production in ways that lower energy usage and reduce emissions.
 - PTRC continues to play a key role in the management and operation of the Aquistore CO₂ storage facility tied to SaskPower's Boundary Dam 3 CO₂ capture facility. As of November 2024, the Aquistore has injected over 591,000 tonnes of CO₂ deep underground to be stored permanently.
 - PTRC also continues to manage the Heavy Oil Research Network (HORNET), which funds industry-driven projects to develop new EOR technologies to increase oil production in a sustainable way.

- Sylvia Fedoruk Canadian Centre for Nuclear Innovation (Fedoruk Centre)
 - The Fedoruk Centre operates the Saskatchewan Centre for Cyclotron Sciences (SCCS) and supports nuclear research and training in the areas of nuclear medicine, materials research, agri-biotechnologies, nuclear energy and environmental stewardship.

Performance Measure Results:

Federal and private investment attracted through Innovation Saskatchewan’s research grant programs (AGF, SAIF and ISF) (\$ millions)

Results in this area promote achievement of the goal to increase funding from the Government of Canada and other resources. Results will be able to be compared year over year to understand if external funding levels are increasing, decreasing or staying the same.

- \$6.8 million federal and private investments were secured in 2024-25
 - \$4,535,868 for six projects through SAIF
 - \$3,611,075 for four projects through ISF
 - \$2,245,000 for two projects through AGF

New jobs created through Innovation Saskatchewan’s research and development programs (SAIF and AGF) (#)

This measure shows how many jobs are being created as a result of IS’ programs and in the priority areas they are aligned with.

- Progress reports documenting 14 new jobs were submitted from ten companies through SAIF and AGF in the third and fourth quarter.

New intellectual property generated by IS’ research and development program recipients (#)

This measure shows how many innovations are being created as a result of IS’ programs and in the priority areas they are aligned with. Results will show the number of patents filed related to funded projects.

- Two new pieces of intellectual property were generated by companies who received funding through the SAIF program.

Progress on Goal 2: Build and support a sustainable and inclusive technology sector.

Growth of the technology sector is supported through program funding, work with various government and industry partners and the provision of a soft-landing zone for technology companies at the research and technology parks. Priority areas include attracting and retaining companies, investing in the technology sector and supporting company growth. This is done in part through programming, maintaining park clusters, flexible lease arrangements and collaboration with industry and government partners.

The research and technology parks play a key role in growing the technology sector by attracting tenants, providing them with critical infrastructure and supporting their growth. The environment created by the parks is key to their success as they encourage collaboration, innovation and entrepreneurship with the tech sector. Programs and policies are also developed and implemented that support the needs of Saskatchewan's innovation ecosystem including creating the conditions for technology entrepreneurship and growth from startup to scaleup, resulting in economic growth of the overall sector.

Strategy: *The approach we took to achieve our goal*

Through the operation of the research and technology parks, provide an environment that creates community and encourages innovation, collaboration and entrepreneurship.

Key Actions: *What we did to get there*

- Provide flexible and supportive business arrangements (e.g., lease rates, specialized lease terms, accounts receivable tolerance, other financial considerations), extensive programming efforts and support of various strategic partnerships to drive innovation.
 - Fifty companies benefited from flexible lease arrangements across the two research and technology parks at the end of 2024-25.
 - Innovation Saskatchewan continued to offer programming that builds knowledge and supports growth of the companies, leaders and workforce operating in the tech ecosystem. Forty-nine programming events were hosted in 2024-25 with almost 5,250 attendees.
 - Innovation Saskatchewan continued to promote access to over \$550,000 in supportive partnerships and discounts through 28 partnership programs that aim to accelerate company growth while also limiting risks.

Strategy: *The approach we took to achieve our goal*

Recruit and retain technology companies to build a successful ecosystem in the province.

Key Actions: *What we did to get there*

- Work with industry partners and provide support through the Technology Ecosystem Program to ensure sustainable growth of the tech sector.
 - In 2024-25, Innovation Saskatchewan prioritized support to labour market development, international engagement, expanding the tech sector pipeline, capital access and development in the agtech sector. Specific cash and in-kind support from 2024-25 is categorized below:
 - Labour market: four organizations; \$60,777 cash; \$4,283 in kind
 - Indigenous engagement: one organization; \$15,000 cash
 - Technology sector pipeline: four organizations; \$75,000 cash; \$6,300 in kind
 - Agtech: one organization; \$100,000 cash
 - International Engagement: two organizations; \$69,300 cash
 - Emerging Technologies: one company; \$20,000 cash
 - Through partnerships with federal counterparts, Innovation Saskatchewan leveraged over \$880,000 in federal funds to further Saskatchewan's technology sector.
 - Innovation Saskatchewan continues to work and partner with Cultivator powered by Conexus to further support the technology sector in Regina in particular through support for Cultivator's AGTECH ACCELERATOR, which ran its third cohort in early 2024, and the annual Startup Summit, which Cultivator hosted in September 2024 and brought together over 200 attendees from across North America.
- Provide funding to Co.Labs, which is the province's first technology incubator and is located at the research and technology park in Saskatoon, to support the formation and growth of tech startups through their early stages and prepare them for later-stage growth programs and outside investment.
 - Co.Labs continues to support the growth of Saskatchewan tech startups of various stages through four main programs: Co.Learn, Co.Launch, Co.Link and Co.Lead.
 - Realized successes for 2024-25 include:
 - 13 startups incubated
 - 91 jobs created
 - \$13.6 million in private investment raised by startups
 - \$27 million in revenues generated by startups
 - Co.Labs hosted the Uniting the Prairies conference on May 22 to 23, 2024. The event brought together over 700 attendees from across North America over two days making it the province's largest tech conference.

Strategy: *The approach we took to achieve our goal*

Develop and implement programs and policies that support Saskatchewan technology entrepreneurship.

Key Actions: *What we did to get there*

- Through the Made in Saskatchewan Technology Program (MIST), support startups in securing their first major customer by introducing them to government ministries and Crown Corporations.
 - Innovation Saskatchewan invested \$87,830 in six technology pilot projects through the MIST program in the 2024-25.
 - With matching funds provided by project partners, startups were able to leverage a total of \$175,659 during the year, the second highest amount since the program began in 2019.
- Through the Innovation Challenge program, identify policy issues and develop novel technology solutions to solve public sector challenges.
 - To date Innovation Saskatchewan has facilitated five challenges with its \$50,000 investment resulting in four new companies employing approximately 30 people.
 - The launch of new challenges has been paused to allow for a full review of the program to ensure it continues to meet industry needs. Given continued interest in the program Innovation Saskatchewan intends to launch a new challenge in 2025-26.
- Connect investors to new and mature tech startups in growth stages by providing a non-refundable 45 per cent tax credit to individuals, corporations and venture capital firms that invest in eligible companies through the Saskatchewan Technology Startup Incentive (STSI).
 - In response to consistent oversubscription of the program, Innovation Saskatchewan doubled the annual tax credit cap of the STSI from \$3.5 million to \$7 million and expanded the eligibility criteria to include cleantech startups.
 - The program continues to have high utilization rates in 2024-25. Realized outcomes for 2024-25 include:
 - Sixty-six investors and 14 technology companies approved to raise capital.
 - Ninety-two new jobs have been created.
 - \$24 million private investment has been attracted, including \$7.5 million raised under the program and \$16 million raised outside the program through co-investment.
 - Since launch, \$18.6 million in tax credits have been approved with \$5.22 of private investment leveraged for every \$1 of credits issued.

Strategy: *The approach we took to achieve our goal*

Actively support initiatives that aim to increase skilled and diverse companies in the tech labour force.

Key Actions: *What we did to get there*

- Work with various partners on initiatives focused on engaging underrepresented groups in science, technology, engineering and mathematics (STEM) skills and entrepreneurship
 - Innovation Saskatchewan supported various programs, initiatives and events during 2024-25 including:
 - Saskatchewan Science Centre – Women Breaking Barriers Conference in April 2024.
 - National Indigenous People’s Day celebration events in June 2024.
 - Regina Open Door Society Tech Skills Showcase in November 2024 and March 2025.
 - Saskatchewan Indian Institute of Technologies’ Innovation Hackathon in March 2025.
 - Various events throughout the year with Tech Career Bridge, Canada Learning Code and ComIT.
 - Through institute funding, Innovation Saskatchewan also supports diversity programs at IMII (Diversity and Inclusion Program), SHRF (Truth and Action Program), CLS (various Indigenous focused programs, Professional Development and resources for Indigenous connections) and VIDO (creation of the VIDO and Saskatchewan Indian Gaming Authority One Health Fellowship for Aspiring Indigenous Students).

Performance Measure Results:

Event attendee net promoter score (out of 10)

Results in this area show the provision of an environment for companies/employees to be active in the Saskatchewan tech sector. It aligns directly with the various strategies under the goal. As events are established/hosted the focus is on quality over quantity.

- An average score of 8 is reflected in survey responses related to all Innovation Saskatchewan hosted events throughout 2024-25.

Triple growth in the tech sector (% growth rate)

Tripling the growth of the Saskatchewan technology sector is identified as one of the 30 goals for 2030 in the Saskatchewan Growth Plan. Tech sector employment has been identified as the measure to track this goal as it is considered a strong indicator and will give insights into the direction and economic health of a sector.

- Results for this measure are reported for the prior year due to a delay in data availability.
- The growth rate for 2023 was 108 per cent; well on track to achieve the Growth Plan goal by 2030. This growth rate is based on employee numbers of 2,631 in 2019 and 5,489 in 2023.
- Further detail can be found in [The State of Saskatchewan’s Tech Sector](#) report Innovation Saskatchewan had published in September 2024.

Progress on Goal 3: Focus Innovation Saskatchewan's resources into areas of strategic advantage and opportunity such as information and communication technology, cleantech, agtech and health tech to position Saskatchewan as a world class innovation hub.

Programs and policies are developed to support areas where Saskatchewan has a natural advantage by leveraging existing partnerships and providing funding to promote agriculture, health and clean technology investments and entrepreneurs throughout the province.

The research and technology parks are leveraged to cluster similar organizations to maintain support for Saskatchewan's key growth sectors and build on the strengths of both the University of Saskatchewan and University of Regina. Network and capacity building is supported by intentionally housing support organizations, small firms, startups and incubators from similar sectors in one location, which ultimately promotes economic development.

Strategy: *The approach we took to achieve our goal*

Leverage partnerships to build sector strategies with stakeholders. Develop and implement targeted programs and policies to promote agtech, cleantech and healthtech investment and entrepreneurship.

Key Actions: *What we did to get there*

- Invest in activities that focus on growing early stage agtech companies through investment attraction and startup support.
 - Innovation Saskatchewan committed \$15 million over five years, beginning in 2021-22) in Conexus Venture Capital's Emmertech fund. Emmertech invests in agtech startups across Canada, with a minimum \$15 million being deployed in Saskatchewan-based agtech startups overall.
 - Innovation Saskatchewan committed \$100,000 to support Cultivator's AGTECH ACCELERATOR program in 2024-25. This program provides growth support to early-stage agtech startups in Saskatchewan.
- Support the advancement of research and innovation in the energy sector.
 - Innovation Saskatchewan provided \$1.5 million to PTRC to establish and operate its new Energy Innovation Hub (EIH) which was officially announced and opened in September 2024. The EIH consolidates critical energy research equipment and infrastructure into a single integrated lab located at the Innovation Saskatchewan's Regina research and technology park.

Strategy: *The approach we took to achieve our goal*

Prioritize cluster development within the research and technology parks, larger scientific community and throughout the province to support collaboration, growth and innovation.

Key Actions: *What we did to get there*

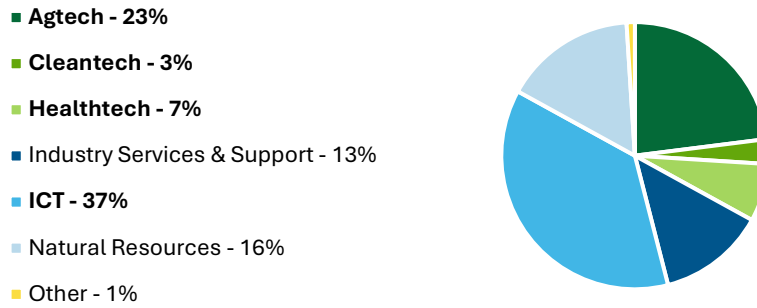
- Create an environment that supports Saskatchewan-based private technology companies and allows them to integrate with business and technical service organizations, research institutes and national and international technology companies.
 - Innovation Saskatchewan continues to work with its independent Management Advisory Committees in Regina and Saskatoon to build a collaborative relationship that supports Saskatchewan's technology sector.
 - Clusters of similar organizations are maintained within the research and technology parks which support Saskatchewan's key growth sectors and build on the strengths of the University of Saskatchewan and University of Regina, both of which are located adjacent to the parks.
 - In partnership with SaskTel and Samsung Canada, Saskatchewan's first 5G Innovation Labs were launched in the Collider spaces at Innovation Saskatchewan's research and technology parks on June 11, 2024, to equip startups, university students, researchers and innovators with tools to leverage 5G technology for future communication solutions.
 - It was announced in September 2023 that Saskatchewan Polytechnic's new Saskatoon campus will be located at Innovation Saskatchewan's Saskatoon research and technology park. Innovation Saskatchewan, Saskatchewan Polytechnic and other project partners worked together throughout the year to advance planning for the project in anticipation of phase 1 (new Trades and Technology Building, use of 116 Research Drive and partial use of 121 Research Drive) construction to begin in 2025-26.

Performance Measure Results:

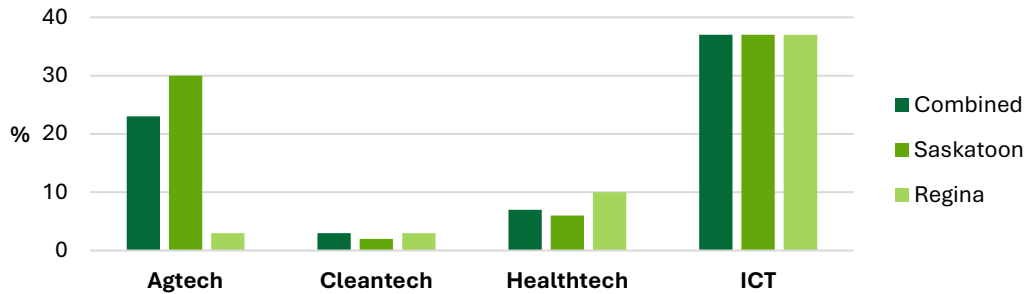
Research and technology park tenants operating in targeted sectors (%)

Monitoring and assessing the per cent of tenants operating in targeted sectors helps ensure a balance in how resources are being provided to all targeted sectors. Monitoring the percents relative to targets will further enhance understanding of whether resources need to be established/directed to a specific sector.

Combined Per Cents for All Sectors at March 31, 2025



Targeted Sectors by City



Progress on Goal 4: Make Saskatchewan the preferred destination for local, national and international researchers, entrepreneurs and tech companies.

Leveraging all tools of the organization supports the technology and research sectors to attract, retain and grow its position in Saskatchewan. This includes eliminating barriers to market entry by combining the research parks and programs, utilizing engaging communications material and delivering on an international engagement plan.

Strategy: *The approach we took to achieve our goal*

Ensure researchers, entrepreneurs and new tech companies have the critical infrastructure and support they need to operate and grow in Saskatchewan.

Key Actions: *What we did to get there*

- Invest in the infrastructure required by technology companies to access specialized facilities, services and amenities they might not be able to access on their own.
 - Approximately 25 per cent of space at the research and technology parks is considered speciality space. This includes 48,000 square feet of multi-tenant greenhouse and growth chamber space, 50,000 square feet of pilot plant space and 345,000 square feet of laboratory space.
 - \$811,000 in tenant improvement capital was spent in 2024-25 to ensure spaces meet tenant needs.
 - The official launch of Innovation Saskatchewan's Collider co-working spaces in Regina and Saskatoon took place in February 2024. These multi-tenant tech hubs provide a flexible co-working space for tenants during a time in their business cycle where space requirements are evolving. Innovation Saskatchewan welcomed 15 new members to the Collider spaces in 2024-25.
 - Innovation Saskatchewan had 22 new tenants locate at the parks in 2024-25, six of which were startups.
 - Innovation Saskatchewan announced a project with its 2024-25 budget to redevelop the west wing of the Galleria building at its Saskatoon research and technology park to provide specialized infrastructure that benefits scaling agtech companies.

Strategy: *The approach we took to achieve our goal*

Lead the branding of Saskatchewan's innovation ecosystem, create public awareness and promote the research community and technology sector, including the value and opportunities of our research and technology parks and program offerings in the province and beyond our borders.

Key Actions: *What we did to get there*

- Promote the Innovation Saskatchewan brand to provide a strong and impactful story that attracts and retains companies and investment in Saskatchewan's research and technology ecosystem.
 - Innovation Saskatchewan conducted a thorough review of its brand and website during 2024-25 to ensure it provides a strong brand story and there is alignment across all owned media channels, stakeholder sites and directories.
- Monitor and report on the growth of Saskatchewan's technology sector.
 - Innovation Saskatchewan worked with Derek Murray Consulting and Associates in 2024-25 to complete a report of the province's technology sector. The report was shared publicly in September 2024 and confirmed that Saskatchewan is on track to meet and exceed Saskatchewan's Growth Plan goal of tripling growth in the technology sector by 2030.
- Enhance awareness by hosting visitors at the research and technology parks.
 - Innovation Saskatchewan hosted 71 formal visitors in 2024-25 including nine national, seven international and 55 local.

Strategy: *The approach we took to achieve our goal*

Work with clients and partners to leverage international market opportunities through the international office network, Canada's Global Affairs supports, and research and technology park networks.

Key Actions: *What we did to get there*

- Lead development and execution of international missions to target markets.
 - During 2024-25, Innovation Saskatchewan's outreach focused on the United States and Germany – established markets where Saskatchewan has strong existing relations and extensive networks. Key initiatives included:
 - A mission to Berlin, Germany in May 2024 to host an event with the University of Saskatchewan, to promote existing/and encourage new research collaborations between Saskatchewan and German academics and industry.
 - Meetings with the Adlershof Research and Technology Park, Berlin Buch Biotech Park, the German Academic Exchange Service (DAAD) and the Ambassador of Canada to Germany were also conducted.
 - A mission to Hannover, Germany in January 2025, to sign a Memorandum of Understanding with DAAD, the world's largest funding organization for the international exchange of students and researchers.
 - Innovation Saskatchewan also signed an agreement with the University of Saskatchewan for a three-year \$60,000 pilot project to support and operationalize future collaborations between Germany and the university, including on-campus research institutes like VIDO and CLS.

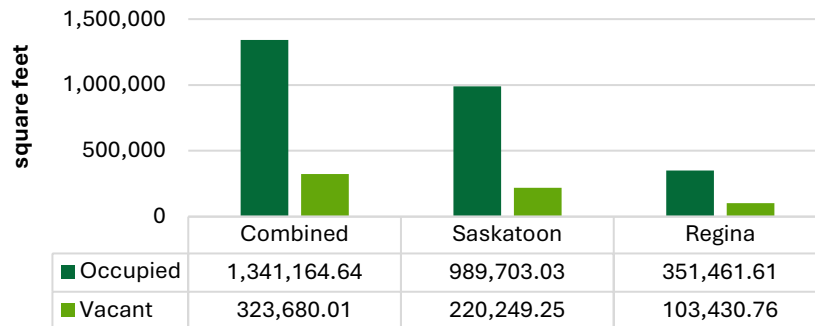
- In March 2025, exhibited at the World Agri-Tech Innovation Summit in San Francisco, California, and supported the attendance of four Saskatchewan agtech companies (Agrimatics, Super GeoAI, Croptimistic and LiORA by EMS) with the goal of raising their profile internationally, including with venture capital investors.

Performance Measure Results:

Vacancy rate (%)

The vacancy rate shows space utilization to prompt discussion and decision making around available space and financial impacts. This measure aligns with the strategy to ensure critical infrastructure is available and the general goal that Saskatchewan (and the research and technology parks) be a preferred destination. Some vacant space is required to accommodate tenant growth, movement and additions throughout the year.

- Actual combined vacancy at March 31, 2025 was 19.4 per cent
 - Regina – 22.7 per cent
 - Saskatoon – 18.2 per cent



- Note: a portion of the space in Saskatoon is being held vacant to accommodate the Saskatchewan Polytechnic Saskatoon Campus project and related tenant movements.

Tech companies locating at the research and technology parks (#)

This measure shows how many companies have chosen to locate at the research and technology parks. It can also indicate whether Saskatchewan is viewed as a preferred destination and if the parks are a desirable location.

- There were 159 tenants at the research and technology parks as at March 31, 2025
 - Regina – 38
 - Saskatoon – 121

Tenant net promoter score (out of 10)

This measure shows tenant satisfaction that can include whether they are happy with the infrastructure and environment created at the parks. A higher score would suggest a positive view of Saskatchewan, through the research and technology parks, as a preferred destination.

- An average result of eight was reported each quarter throughout 2024-25.
- Results for this measure are based on responses to the question “On a scale of 1 (very unlikely) to 10 (highly likely), how likely are you to recommend Innovation Place to someone considering a move to the research and technology park?”.

Progress on Goal 5: Provide a safe environment and support strong teams to achieve strategic and operational excellence.

Internal strategies and operations are key to ensuring the ongoing success of the agency and the ability for people to effectively and efficiently complete their work in support of other strategic goals. Continuing work in the areas of people, culture and safety ensures needs are being met, support is provided to get work done and strong teams are built.

Maintaining focus on financial and operational processes and controls ensures the ongoing viability of the organization and alignment with provincial goals around maintaining a balanced budget, flexibility through strong financial management and the ability to invest in the province's infrastructure.

Strategy: *The approach we took to achieve our goal*

Develop and advance internal processes, systems and frameworks to ensure operations are effective and efficient.

Key Actions: *What we did to get there*

- Enhance culture and engagement within the agency.
 - Innovation Saskatchewan conducted a formal culture and engagement survey in 2024-25. It also established a culture committee and hosted an internal Spring Summit for all employees to attend.
 - Learning and development activities to support leadership was also prioritized during 2024-25 to ensure leaders in the agency have the skills they need to support their teams and the work being done across the agency.
 - Building work completed by leadership in 2023-24, individual contributors completed DiSC assessments in 2024-25 to understand behavioural styles to strengthen relationships and collaborative communication within teams.
- Ensure a safe physical and digital environment is provided for employees, tenants and guests.
 - Work was advanced on the development of a business continuity plan and emergency response plans for the integrated agency.
 - Cyber security training continues to be a priority across the agency with particular focus placed on the topic during Cyber Security Awareness month in October.
 - Innovation Saskatchewan completed a general safety survey and joined the Government of Saskatchewan's Safety Champion Council in 2024-25 to understand and adapt best practices in safety from across government for the agency. As a result, the safety climate was assessed for leadership to identify opportunities for improvement going forward.
 - Various safety reviews for the research and technology parks, including fire code and security, were completed or advanced during 2024-25. Innovation Saskatchewan also implemented its Violence Prevention Policy and Plan in May 2024.

- Enhance internal performance and financial reporting to support decision making and achievement of strategic goals.
 - Innovation Saskatchewan reviewed and confirmed key performance indicators for the integrated agency during 2024-25. These measures were reported on throughout the year and results have been included throughout this Annual Report.
 - Internal reporting mechanisms for key performance indicators, strategic and financial reporting were also reviewed to ensure efficiency, transparency and ease of use for decision making.
- Modernize and improve internal systems to ensure they are effective and efficient.
 - Innovation Saskatchewan advanced work to operationalize improvements to its asset management program to implement a comprehensive program to strategically manage its built environment.
 - Work began to upgrade the agency’s financial system to address technical obsolescence, take advantage of efficiency opportunities and ensure alignment with current business practices following the recent integration.
 - Innovation Saskatchewan also completed reviews of processes and approaches that existed prior to integration to advance integration activities. This resulted in a full migration of the agency’s records management system and further integration of the Microsoft 365 platform.

Performance Measure Results:

Employee engagement (%)

Biennial survey results indicating whether employees are engaged and satisfied with the agency.

Aligns with core values and the goal to support and develop strong teams.

- Engagement score – 72 per cent
- Values index – 76 per cent

Net cash flow from self-funded operations (\$ millions)

Results in this area show the net result of improvement initiatives and support decision making around profitability.

- Actual net cash flow for 2024-25 was \$8.672 million

Financial Summary

Innovation Saskatchewan
Report of Management
For the Year Ended March 31, 2025

The accompanying financial statements are the responsibility of the management of Innovation Saskatchewan. They have been prepared in accordance with generally accepted accounting principles for the public sector, using management's best estimates and judgments, where appropriate. Management is responsible for the reliability and integrity of the financial statements, the notes to the financial statements and other financial information contained in this report. Management is also responsible for maintaining a system of internal controls, policies and procedures designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Innovation Saskatchewan Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Office of the Provincial Auditor has audited the agency's financial statements in accordance with generally accepted auditing standards and their report follows.

Additional financial information can be found in the Government of Saskatchewan Public Accounts located at <https://publications.saskatchewan.ca/#/categories/893>



Kari Harvey
Chief Executive Officer
Innovation Saskatchewan

**Innovation Saskatchewan
External Financial Statements
For the Year Ended March 31, 2025**

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of Innovation Saskatchewan, which comprise the statement of financial position as at March 31, 2025, and the statement of operations and accumulated surplus, statement of changes in net (debt) financial assets, statement of remeasurement gains and losses, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Innovation Saskatchewan as at March 31, 2025, and the results of its operations, its remeasurement gains and losses, changes in its net debt, and its cash flows, for the year then ended in accordance with Canadian public sector accounting standards.

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 report. We are independent of Innovation Saskatchewan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, 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 Innovation Saskatchewan'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 Innovation Saskatchewan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Innovation Saskatchewan'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 these 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 Innovation Saskatchewan'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 Innovation Saskatchewan'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 Innovation Saskatchewan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan
June 25, 2025

A handwritten signature in black ink that reads "T. Clemett".

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

STATEMENT 1

Statement of Financial Position

As at March 31

(\$ thousands)

	2025	2024
Financial Assets		
Cash and Cash Equivalents (Note 6)	\$ 24,110	\$ 35,339
Accounts Receivable (Note 7)	5,770	2,638
Investments (Note 8)	12,000	9,000
Debt Retirement Fund (Note 9)	6,902	6,098
	48,782	53,075
Liabilities		
Accounts Payable and Accrued Liabilities (Note 10)	6,829	8,295
Notes Payable (Note 11)	14,820	15,665
Lease Liabilities (Note 12)	15	49
Long Term Debt (Note 13)	36,684	36,684
Deferred Revenue (Note 14)	1,830	1,373
Asset Retirement Obligation (Note 15)	206	197
	60,384	62,263
Net (Debt) Financial Assets (Statement 3)	(11,602)	(9,188)
Non-Financial Assets		
Prepaid Expenses	508	560
Inventory	-	8
Other Assets (Note 16)	77	363
Tangible Capital Assets (Note 17)	153,885	157,143
	154,470	158,074
Accumulated Surplus	\$ 142,868	\$ 148,886
Accumulated Surplus is comprised of:		
Accumulated Operating Surplus (Statement 2)	\$ 143,091	\$ 149,302
Accumulated Remeasurement Gains (Losses) (Statement 4)	(223)	(416)
	\$ 142,868	\$ 148,886

Contractual Rights (Note 21)

Contractual Obligations (Note 22)

(see accompanying notes to the financial statements)

STATEMENT 2

Statement of Operations and Accumulated Surplus

For the Year Ended March 31

(\$ thousands)

	2025 Budget		2025 Actual		2024 Actual
	(Note 5)				
Revenue					
Transfer from the General Revenue Fund – Operating Grant	\$ 31,042	\$	31,832	\$	28,227
Research Park Operations	39,641		36,269		36,536
Other Revenue – Tech Fund Administration	-		331		-
Interest	1,440		1,734		1,759
	<u>72,123</u>		<u>70,166</u>		<u>66,522</u>
Expenses (Note 18)					
Administration	6,813		6,822		5,666
Research Park Operations	35,637		33,679		33,904
Programming	28,358		33,515		23,110
Interest	2,464		2,361		2,509
	<u>73,272</u>		<u>76,377</u>		<u>65,189</u>
Annual (Deficit) Surplus	(1,149)		(6,211)		1,333
Accumulated Surplus, beginning of year	\$ 149,302	\$	149,302	\$	147,969
Accumulated Surplus, end of year	<u>\$ 148,153</u>	<u>\$</u>	<u>143,091</u>	<u>\$</u>	<u>149,302</u>

(see accompanying notes to the financial statements)

STATEMENT 3

Statement of Change in Net (Debt) Financial Assets

For the Year Ended March 31

(\$ thousands)

	2025 Budget	2025 Actual	2024 Actual
	(Note 5)		
Annual Surplus (Deficit)	\$ (1,149)	\$ (6,211)	\$ 1,333
Acquisition of Tangible Capital Assets	(11,851)	(6,349)	(3,700)
Amortization of Tangible Capital Assets	9,599	9,607	9,800
Use of Other Assets	61	286	209
Consumption of Inventory	-	8	5
Purchase of Prepaid Expenses	(1)	52	18
	<u>(2,192)</u>	<u>(2,607)</u>	<u>7,665</u>
Effect of Remeasurement Gains (Losses) for the year	-	193	(22)
	<u>-</u>	<u>193</u>	<u>(22)</u>
(Decrease) / Increase in Net (Debt) Financial Assets	(3,341)	(2,414)	7,643
Net (Debt) Financial Assets , beginning of year	\$ (9,188)	\$ (9,188)	\$ (16,831)
Net (Debt) Financial Assets , end of year	\$ (12,529)	\$ (11,602)	\$ (9,188)

(see accompanying notes to the financial statements)

STATEMENT 4**Statement of Remeasurement Gains and Losses****For the Year Ended March 31**

(\$ thousands)

	2025		2024
Accumulated Remeasurement Gains (Losses), beginning of year	\$ (416)	\$	(394)
Unrealized Gains (Losses) Attributable to:			
Debt Retirement Fund	193		(22)
Accumulated Remeasurement Gains (Losses), end of year	\$ (223)	\$	(416)

(see accompanying notes to the financial statements)

STATEMENT 5

Statement of Cash Flows

As at March 31, 2025

(\$ thousands)

	2025	2024
Operating Activities		
Annual Surplus (Deficit)	\$ (6,211)	\$ 1,333
Non-cash Adjustments		
Amortization of Tangible Capital Assets (Note 17)	9,607	9,800
Accretion Expense (Note 15)	9	9
Interest Earned on Sinking Fund	(244)	(112)
	3,161	11,030
Net Change in Non-cash Balances Relating to Operations		
Accounts Receivable	(3,132)	1,135
Accounts Payable & Accrued Liabilities	(1,466)	(883)
Deferred Revenue	457	(859)
Inventory	8	5
Prepaid Expenses	52	18
Change in Other Assets	286	209
Lease Liabilities	(34)	(284)
Cash (Used in) Provided by Operating Activities	(668)	10,371
Capital Activities		
Purchase of Tangible Capital Assets	(6,349)	(3,700)
Cash used in Capital Activities	(6,349)	(3,700)
Investing Activities		
Purchase of Investment	(3,000)	(3,000)
Cash used in Investing Activities	(3,000)	(3,000)
Financing Activities		
Debt Retirement Fund Installments	(367)	(367)
Repayment of Notes Payable	(845)	(725)
Cash Provided by Financing Activities	(1,212)	(1,092)
Net Change in Cash and cash equivalents for the year	(11,229)	2,579
Cash and cash equivalents, beginning of year	35,339	32,760
Cash and cash equivalents, end of year	\$ 24,110	\$ 35,339

(see accompanying notes to the financial statements)

Notes to the Financial Statements

March 31, 2025

(\$ thousands)

1. ABOUT INNOVATION SASKATCHEWAN

Innovation Saskatchewan was established under the provisions of *The Innovation Saskatchewan Act* on November 2, 2009. Innovation Saskatchewan supports the province's research community and technology sector to foster economic growth and diversity. As an economic development focused central agency of the Government of Saskatchewan, Innovation Saskatchewan is responsible for implementing the province's innovation priorities and growing the technology sector. Innovation Saskatchewan develops policies and programs and conducts activities that assist in the implementation of research & development, science, and technology for the province. This includes development and operation of Saskatchewan's research and technology parks in Saskatoon and Regina.

As an agency of the Government of Saskatchewan, the Agency is subject to neither federal nor provincial income taxes. The Agency is also not subject to provincial capital taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards issued by the Public Sector Accounting Board.

The following accounting policies are considered significant:

a) Measurement Uncertainty

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Items requiring the use of estimates include allowance for doubtful accounts, accrued liabilities, asset retirement obligation, and amortization. Actual results could differ from those estimated.

b) Revenue

Government transfers are recognized as revenue in the period in which the events giving rise to the transfer occur, eligibility criteria are met and reasonable estimates of the amount can be made.

With the exception of rental revenue, revenue is recognized as services are provided to customers, tenants and clients using the accrual basis of accounting when it is reliably measured and there is probability that the economic benefit will flow to the Agency. Amounts received in advance of contract terms are recorded as deferred revenue.

The Agency recognizes rental revenue whereby the total amount of contractual rent to be received from leases is accounted for on a straight-line basis over the term of the lease. Deferred rent receivable is recorded for the difference between the straight-line recorded revenue and the contractual amount due from tenants.

Interest revenue is recorded when receivable.

c) Expenses

Expenses, recorded on an accrual basis, represent Innovation Saskatchewan's cost to deliver services and are recorded in the period the service was provided. Program grants are recognized as expenses in the period the transfer is authorized and eligibility criteria are met.

d) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

The costs of maintenance, repairs, renewals which do not extend the productive life are charged to operations as incurred. The cost of replacements and improvements which extend the useful life are capitalized.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets, which are recorded at the present value of the minimum lease payments. The discount rate used to determine the present value of the lease payments is the lower of Innovation Saskatchewan's rate for incremental borrowing or the interest rate implicit in the lease.

Tangible capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives as follows:

- Furniture and equipment 3 – 10 years
- Buildings and infrastructure 20 – 80 years
- Leasehold improvements lease term

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to Innovation Saskatchewan's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

3. NEW ACCOUNTING STANDARDS

The following new accounting standards will come into effect as of the date indicated below:

- The Conceptual Framework for Financial Reporting in the Public Sector – April 1, 2026
- PS 1202 Financial Statement Presentation – April 1, 2026

Innovation Saskatchewan has not adopted this standard early for the current year.

4. FINANCIAL INSTRUMENTS

Innovation Saskatchewan's financial assets consist of cash, accounts receivable, investments and debt retirement fund. Financial liabilities consist of accounts payable, accrued liabilities, deferred revenue, lease liabilities, notes payable and long-term debt.

The Agency uses the following categories to classify its financial instruments: fair value, or cost or amortized cost.

Majority of financial instruments with the exception of investments, are initially recognized at fair value. The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. The carrying amounts of these instruments approximates fair value due to their short-term nature.

The carrying amount of the Emmertech investment is measured at cost. Innovation Saskatchewan has invested in a privately managed fund that is not measured in an active market. The Debt Retirement Fund is measured at fair value.

Financial instruments classified as amortized cost or other liabilities are subsequently measured at amortized cost using the effective interest method, less any impairment losses, with any changes recognized in the statement of operations and accumulated surplus.

Fair value measurement

The methods and assumptions used to develop fair value measurements have been prioritized into three levels.

Level one – fair values are determined using inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities to which the Agency has immediate access.

Level two – fair values are determined using inputs other than quoted prices included in level one that are observable for the asset or liability, either directly or indirectly.

Level three – fair values are determined based on inputs for the asset or liability that are not based on observable market data.

5. BUDGET APPROVAL

The budget for Innovation Saskatchewan was approved (subject to provincial government finalization) by the Innovation Saskatchewan Board on October 20, 2023.

6. CASH AND CASH EQUIVALENTS

	2025		2024
Cash in bank and on hand	24,110		35,339
	\$ 24,110	\$	35,339

Cash held in bank earns interest based on a fixed percentage in relation to the bank prime rate. Total interest earned during the year was \$1,490 (2024 - \$1,646).

7. ACCOUNTS RECEIVABLE

	2025		2024
Trade receivables, net of allowance	\$ 3,654	\$	2,274
Accrued receivables	1,407		379
Work in progress	709		(17)
Other	-		2
	\$ 5,770	\$	2,638

Work in progress includes unbilled labour and materials for third party projects.

8. INVESTMENTS

Innovation Saskatchewan has a privately managed investment of \$12 million at March 31, 2025 (2024 – \$9 million).

Innovation Saskatchewan committed to investing \$15.0 million over five years into an agtech venture capital fund. This venture capital fund will invest in agtech startups across Canada focusing on early-stage investments in digital farm technologies. The fund has a mandate to invest at least \$15.0 million in Saskatchewan-based companies.

9. DEBT RETIREMENT FUND

	2025		2024
Balance, beginning of year	\$ 6,098	\$	5,641
Installments	367		367
Earnings	244		112
Valuation adjustment	193		(22)
Balance, end of year	\$ 6,902	\$	6,098

Under conditions attached to the long term debt issues, the Agency is required to invest an amount equal to one percent of the original debt issue on an annual basis. The investment, in the form of a debt retirement fund, is administered by Saskatchewan's Ministry of Finance.

Debt retirement fund installments due in each of the next five years are as follows:

2025-26	\$	367
2026-27		367
2027-28		367
2028-29		367
2029-30		367

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025		2024	
Trade payables	\$	3,249	\$	3,418
Interest payable		439		399
Accrued liabilities and other		3,141		4,478
	\$	6,829	\$	8,295

11. NOTES PAYABLE

	2025		2024	
Balance, beginning of year	\$	15,665	\$	16,390
Repayments		(845)		(725)
Balance, end of year	\$	14,820	\$	15,665

Notes payable are due to the General Revenue Fund of the Province of Saskatchewan. These notes are due within 90 days of issue and have an effective interest rate of 4.10%.

Interest expense associated with notes payable was \$626 for the year ended March 31, 2025 (2024 – \$768).

12. LEASE LIABILITIES

The Agency's leased tangible capital assets include corporate computers, network infrastructure, office equipment and vehicles. Lease expiry date of these assets is September 2025. Total cash outflows for leases for the year ended March 31, 2025 was \$34.

Repayments are due as follows:

	2025		2024	
Total future minimum lease payments	\$	15	\$	51
Less: future finance charges on leases		-		(2)
Present value of lease liabilities	\$	15	\$	49

13. LONG TERM DEBT

	2025		2024	
Balance, beginning of year	\$	36,684	\$	36,684
Balance, end of year	\$	36,684	\$	36,684

The Agency's long term debt balance consists of two CPP Investment Board debt issues with the Province of Saskatchewan:

Date of Issue	Date of Maturity	Effective Interest Rate (%)	Coupon Rate (%)	Amount outstanding March 31, 2025
July 11, 2008	July 11, 2038	4.71	4.71	\$ 23,684
May 3, 2010	May 3, 2040	4.80	4.80	13,000
				<u>\$ 36,684</u>

There are no scheduled principal debt repayments due in the next five years.

Interest expense associated with long term debt was \$1,735 for the year ended March 31, 2025 (2024 – \$1,740).

14. DEFERRED REVENUE

Deferred revenue recorded on the Statement of Financial Position is comprised of prepaid rental payments from tenants of Innovation Place and conditional construction costs from tenants who have surrendered space prior to the end of the term of their lease.

15. ASSET RETIREMENT OBLIGATION

Innovation Saskatchewan has recorded an asset retirement obligation for the removal of asbestos floor tiles and mercury light fixtures from 20 buildings located in the Saskatoon and Regina technology parks. The unamortized asset retirement obligation is being amortized over the remaining life of the associated assets of 37 years (Saskatoon) and 73 years (Regina). The discount rate of 4.50% is used to estimate the future value of the asset retirement obligation.

Management does not foresee any events or circumstances in the future that would have a significant impact on the estimates value of the asset retirement obligation.

The asset retirement obligation recorded in these financial statements is as follows:

	2025		2024	
Carrying amount, beginning of year	\$	197	\$	188
Accretion expense		9		9
Carrying amount, end of year	\$	206	\$	197

16. OTHER ASSETS

	2025	2024
Deferred rent receivable	\$ -	\$ 208
Leasing costs	77	155
	<u>\$ 77</u>	<u>\$ 363</u>

17. TANGIBLE CAPITAL ASSETS

	Furniture and Equipment	Building and Infrastructure	Leasehold Improvements	Total 2025	Total 2024
Cost, beginning of year	\$ 10,583	\$ 273,047	\$ 43,354	\$ 326,984	\$ 323,284
Additions	700	4,845	804	6,349	3,700
Disposals	-	-	-	-	-
Cost, end of year	<u>\$ 11,283</u>	<u>\$ 277,892</u>	<u>\$ 44,158</u>	<u>\$ 333,333</u>	<u>\$ 326,984</u>
Accumulated Amortization, beginning of year	\$ 8,513	\$ 137,734	\$ 23,594	\$ 169,841	\$ 160,041
Amortization	361	6,424	2,822	9,607	9,800
Disposals	-	-	-	-	-
Accumulated Amortization, end of year	<u>8,874</u>	<u>144,158</u>	<u>26,416</u>	<u>179,448</u>	<u>169,841</u>
Net Book Value of Tangible Capital Assets	<u>\$ 2,409</u>	<u>\$ 133,734</u>	<u>\$ 17,742</u>	<u>\$ 153,885</u>	<u>\$ 157,143</u>

Included in the totals for furniture and equipment are leases of tangible capital assets with a net book value of \$15 (cost of \$1,855; accumulated amortization of \$1,840). Amortization on these assets totaled \$34 for the year.

Net book value of assets under construction at March 31, 2025, and not being amortized, was \$4,857.

18. EXPENSES BY OBJECT

	2025		2024
Grants and Transfers (Programming) – see detail below	\$ 33,515	\$	23,110
Salaries and Benefits	12,382		11,398
Goods and Services:			
Travel	398		238
Contract Services	5,027		5,215
Communications	85		132
Supplies and Services	8,757		9,120
Other Expenses	4,245		3,667
Finance Charges	2,361		2,509
Amortization	9,607		9,800
	<u>\$ 76,377</u>	<u>\$</u>	<u>65,189</u>

Programming

	2025		2024
Saskatchewan Advantage Innovation Fund	\$ 995	\$	747
Petroleum Technology Research Centre	3,175		1,675
Innovation and Science Fund	1,609		3,020
International Minerals and Innovation Institute	256		256
Sylvia Fedoruk Centre	2,900		2,500
Canadian Light Source	4,919		4,100
Vaccine and Infectious Disease Organization	4,149		4,149
Saskatchewan Health Research Foundation	4,849		4,849
Saskatchewan Collaborates Inc. (Tech. Incubator)	375		375
Technology Ecosystem Program (Regina Startups Program)	385		360
Made in Saskatchewan Technology	89		93
Agtech Growth Fund (AGF)	814		986
Vaccine and Infectious Disease Organization – Centre for Pandemic Research	9,000		-
	<u>\$ 33,515</u>	<u>\$</u>	<u>23,110</u>

19. FINANCIAL RISK MANAGEMENT

a. Credit risk

Credit risk is the risk of an unexpected loss if a tenant or third party to a financial instrument fails to meet its contractual obligations.

The maximum credit exposure is limited to the carrying amount of cash and cash equivalents, accounts receivables, a privately managed fund and the debt retirement fund.

Cash and cash equivalents are maintained with high-credit quality financial institutions and management considers the risk of non-performance to be minimal.

The privately managed fund is managed to only deal with third parties it believes to be creditworthy and by monitoring credit exposures and collateral. The greatest concentration of credit risk arises from investments in convertible securities.

Debt retirement funds are held by the Government of Saskatchewan's General Revenue Fund. The investment strategy is determined by the Ministry of Finance. At March 31, 2025, the debt retirement fund consists mostly of Provincial government and Federal government bonds with varying maturities and are managed based on maturity profile and market conditions. Accordingly, the related credit risk associated with these investments is considered low.

Although the Agency's policy to promote economic development leads to accepting some tenants that have higher credit risk, potential losses are mitigated by the fact that no one tenant occupies more than 10% of rentable space. The Agency also has established policies and procedures to assess the potential risk prior to extending credit to any client. The following reflects an aging summary of the Agency's accounts receivables:

	2025	2024
Current	\$ 2,506	\$ 734
31– 60 days	176	222
61 – 90 days	165	208
Over 90 days	3,311	1,696
	6,158	2,860
Allowance	(388)	(222)
Accounts receivables	\$ 5,770	\$ 2,638

Provisions for credit losses are maintained and regularly reviewed by management. Credit losses are estimated based on an account by account review. Amounts are written off only after reasonable collection efforts have been exhausted. Details of the allowance are as follows:

	2025	2024
Allowance for doubtful accounts, beginning of year	\$ 222	\$ 222
Provision	167	7
Write-offs, net of recoveries	(1)	(7)
Allowance for doubtful accounts, end of year	\$ 388	\$ 222

b. Interest rate risk

Interest rate risk is the risk of financial loss resulting from changes in market interest rates. The Agency is exposed to interest rate risk on the maturity of its notes payable. Notes payable outstanding at March 31, 2025, was \$14,820

The Agency is also exposed to interest rate risk on its cash balances as the rate of return fluctuates with prime interest rates as well as interest rates associated with the debt retirement fund. The impact of fluctuations in interest rates is not considered significant to the Agency.

c. Liquidity risk

Liquidity risk is the risk that the Agency will not be able to meet its financial obligations as they fall due. The Agency’s cash resources are managed based on financial forecasts and anticipated cash flows. Management’s viewpoint is the Agency is able to generate sufficient funds to support the payments for these financial liabilities.

The following summarizes the contractual maturities at March 31, 2025:

	6 Months or Less	7 to 12 Months	1 to 2 Years	3 to 5 Years	More Than 5 Years
Trade and other payables	\$ 6,829	\$ -	\$ -	\$ -	\$ -
Notes payable	14,820	-	-	-	-
Lease liabilities	15	-	-	-	-
Long term debt*	870	870	3,479	5,219	50,978
	\$ 22,534	\$ 870	\$ 3,479	\$ 5,219	\$ 50,978

**Contractual cash flows for long term debt include principal and interest payments but exclude debt retirement fund installments.*

d. Market risk

Market risk is the risk that the value of an investment will decrease due to moves in market factors. The Agency is exposed to market risk primarily through the debt retirement fund. Fair value adjustments will fluctuate based on changes in market prices. Fair value adjustments similar to those experienced up to March 31, 2025 would not have a material impact on net measurement gains (losses).

The value of Innovation Saskatchewan’s privately managed fund is influenced by the outlook of the issuer and by general economic conditions, as well as industry and market trends. The extent of the impact to the financial performance and operations of Innovation Saskatchewan will depend on future developments, which are highly uncertain and cannot be predicted.

20. RELATED PARTIES

These financial statements include transactions with related parties. Innovation Saskatchewan is related to its Board of Directors and Chief Executive Officer and their close family members, as well as any organization controlled by or under shared control of these individuals. Also, Innovation Saskatchewan is related to all Saskatchewan ministries, agencies, boards, school divisions, health authorities, regional colleges and Crown Agencies under the common control of the Government of Saskatchewan (collectively referred to as “related parties”).

Related party transactions to March 31, 2025 include the following:

	2025	2024
Revenue	\$ 9,622	\$ 8,668
Expenses	6,518	7,657
Accounts Receivable	1,570	75
Accounts Payable and Accrued Liabilities	774	1,577

Innovation Saskatchewan has no related party programming in future years at March 31, 2025.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. In addition, Innovation Saskatchewan pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases.

21. CONTRACTUAL RIGHTS

Innovation Saskatchewan is party to certain contractual rights which are expected to provide future economic benefits to the organization.

The Agency has operating leases with its tenants that are related to the research parks owned by the Agency. Operating leases generally have terms of one to five years.

Rental income earned from investment property is reported as rental income, and associated operating expenses as rental operations expense, in the Statement of Operations and Accumulated Surplus.

The future minimum lease payments under non-cancellable operating leases, at March 31, 2025 are:

	2025-26	2026-27	2027-28	2028-29	2029-30
Future Minimum Lease Payments	\$12,144	\$7,377	\$4,977	\$3,721	\$3,226

22. CONTRACTUAL OBLIGATIONS

The Agency has contractual obligations at March 31, 2025 including the following:

	2025-26	2026-27	2027-28	2028-29	2029-30
Programming	\$ 6,047	\$ 2,961	\$ 457	\$ 666	\$ 5
Construction Contracts	4,552	-	-	-	-
Licensing and Other	57	-	-	-	-
	\$ 10,656	\$ 2,961	\$ 457	\$ 666	\$ 5

23. PENSION COSTS

The employees of Innovation Saskatchewan participate in the Public Employees' Pension Plan defined contribution plan. Pension costs of \$894 (2024 \$764) are included in pension and benefits expense and comprise the cost of employer contributions for current service of employees during the year. Innovation Saskatchewan's liability is limited to the required contributions.

24. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified where necessary to conform with the current year's presentation.