

Rating
BUY
Initiating

Target Price
\$1.00
Initiating

August 25, 2025

Disseminated on Behalf of Global Education Communities Corp.

All figures in CAD unless otherwise stated

| Global Education Communities Corp. | GEC:TSX |
|------------------------------------|---------|
| Rating | BUY |
| Target Price | \$1.00 |
| Return to Target | 135% |

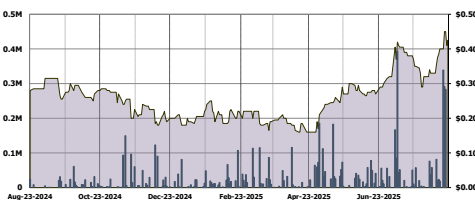
Market Data

| | |
|--------------------------|---------|
| Share Price | \$0.43 |
| Average Daily Volume (K) | 115.1 |
| FD ITM Shares (M) | 69.1 |
| Market Cap (\$M) | \$29.4 |
| PF Cash (\$M) | \$36.4 |
| Debt & NCI (\$M) | \$343.2 |
| Enterprise Value (\$M) | \$336.2 |

| FYE Aug 31 | FY25E | FY26E | FY27E |
|------------------------------|---------|----------|----------|
| Sales (\$M) | \$63.5 | \$31.6 | \$37.9 |
| Gross Margin (%) | 58% | 61% | 62% |
| Adj. EBITDA (\$M) | \$8.6 | \$5.0 | \$7.0 |
| Adj. EBITDA Margin (%) | 14% | 16% | 18% |
| Net Income (\$M) | (\$8.4) | (\$9.7) | (\$5.0) |
| Net Income attrib. GEC (\$M) | (\$2.7) | (\$2.9) | (\$1.5) |
| EPS (Basic) | \$0.02 | (\$0.14) | (\$0.07) |

| Valuation | FY25E | FY26E | FY27E |
|-----------|-------|-------|-------|
| EV/EBITDA | 38.9x | 67.7x | 47.9x |
| EV/Sales | 5.3x | 10.6x | 8.9x |

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



Since 1994, GEC has established itself as a leading player in the Canadian education and student housing sector, serving both domestic and international markets. GEC offers a comprehensive range of services, encompassing business and language colleges, student-centric rental apartments, recruitment services for educational opportunities, and a network of campuses and offices across 24 locations.

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What you need to know:

- GEC has over 33 years of operating history with deep education roots, offering student housing and academic services across 24 locations.
- GEC has a proven track record of value creation with a 3x return on the sale of SSCC and strong gains on multiple real estate assets; GEC will now focus on transitioning to a student housing pure play company.
- The Company has a development pipeline of ~2,900 beds and over \$40M in revenue coming online over the next five years, supported by favourable government policy and elite development partners.

Global Education Communities Corp. (GEC:TSX, GECSF:OTCQB) is a Vancouver-based student housing and education company focused on delivering student-centric rental housing. With over 33 years of operating history and a network spanning 24 locations and 95 school partners, the Company offers student-centric rental apartments, recruitment services, and language and business colleges for both domestic and international students. Unlike traditional student housing peers, GEC's roots are in education, giving it a unique advantage in delivering integrated, experience-driven living environments. **We are initiating coverage on Global Education Communities with a BUY rating and a \$1.00/share target price.**

Investment Thesis Summary

Track Record of Successful Value Creation. GEC has consistently demonstrated its ability to acquire, scale, and exit assets at attractive returns. The sale of Sprott Shaw College for ~\$35M delivered a 3x return on an \$12M investment, alongside years of meaningful cash flow generation of \$30M. Additional successes include a 79% gain on GEC Granville and a 59% return on GEC Viva.

Growing Need for Student Housing. British Columbia has over 550,000 post-secondary students but limited purpose-built housing. Most schools offer little to no on-campus options, and development permitting has dropped 65% since 2022. The University of British Columbia reported >6,000 students on their housing waitlist. With rising costs and limited alternatives, GEC's student housing portfolio fills a growing gap in a chronically undersupplied market with structural benefits.

Government Support. Policy changes across all levels of government are improving project economics for student housing. Bill 47 enables higher density near transit (i.e., GEC Langara's 10-to-26 storey expansion). The removal of parking requirements, GST exemptions, waived levies, and full loan-to-cost financing further reduces costs.

Development Pipeline Driving Growth. GEC's development pipeline totals over 2,900 beds and over \$40M in rental revenue. Major projects include the \$330M Education Mega Centre (1,384 beds), GEC Oakridge (458 beds), and GEC Langara (650 beds), with strong partners like Pomerleau Capital and Pure Group helping to reduce execution and financing risk.

Management & Ownership. GEC is led by an education-focused executive team and board, which collectively have 24% ownership.

Valuation. We value GEC using a cap-rate methodology, assuming \$9,000-10,000 NOI/Bed and a 3.5% cap rate. We also project that GEC will require an additional \$100M in equity and debt to fund the pipeline, resulting in our \$1.00/share target price (135% upside).

Catalysts

- Quarterly Financial Results & Construction Progress – Ongoing
- Takeover Candidate or Transition to REIT – Ongoing

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Investment Thesis

We are initiating coverage on Global Education Communities (GEC:TSX, GECSF:OTCQB) with a BUY rating and a target price of \$1.00/share. GEC is a leading player in the Canadian education and student housing sector, with a shifting focus towards student housing. The Company serves both domestic and international markets, offering a comprehensive range of services, encompassing business and language colleges, student-centric rental apartments, recruitment services for educational opportunities, and a network of campuses and offices across 24 locations. The Company has operated for over 33 years and has over 170 employees. The inherent advantage of GEC's model is that the Company and its team come from an educational background (operating schools), compared to its student housing competitors that come from financial and real estate backgrounds. As such, GEC's approach is much more integrated with its global network of education partners and delivers a superior experience to its tenants.

Track Record of Successful Value Creation

Sprott Shaw College

On August 7th, GEC closed on the sale of its subsidiary Sprott Shaw College Corp. (SSCC) to BPP Education Group (UK-based) for ~\$35M (or \$0.52/share). The transaction includes all 16 campuses and two offices but does not include any student housing assets, Sprott Shaw Language College (to be renamed SSLC College), Vancouver International College, or Global Education Alliance. SSCC generated \$41.8M in revenue in FY24, and we estimate that the assets were sold for 8x EBITDA. GEC took ownership of SSCC in 2007 for \$12M, divested one of SSCC's divisions for \$5M (Ascenda, see below), then sold SSCC for a 3x capital return (6% CAGR) plus years of strong cashflow, which exceeded \$30M in repatriated profit. Incorporating Ascenda into the SSC returns analysis results in a 387% return.

Following the divestiture, GEC will focus on its student housing portfolio, aiming to become a pure-play student housing provider over time. The proceeds will be utilized to pay down debt and acquire/develop more properties. GEC's employee headcount is expected to drop from 650 to 170.

GEC Granville

GEC Granville is located in Downtown Vancouver and has 222 beds. The property was purchased in 2015 for \$39M. GEC sold the property in November 2023 for \$70M, marking a 79% return (8% annually).

GEC Viva

GEC Viva is also located in Downtown Vancouver and has 220 beds. GEC purchased the property in 2015 for \$29M and completed \$6M of renovations before selling in 2018 for \$55.5M. This represents a 59% return or 17% annualized. GEC then leased the property back until FY28, and the property has been at nearly full capacity.

GEC Burnaby Heights

GEC Burnaby Heights has 100 beds and was partially exited in 2018 when GEC sold the ground floor for \$6M. GEC continues to hold the 2nd to 4th residential floors, and the property has nearly zero vacancy.

Ascenda School of Management

In December 2007, CIBT Education Group (now GEC) acquired Ascenda School of Management at its start-up stage for ~\$1M as part of the SSCC purchase, growing it over nine years to enroll ~160 students annually. In August 2016, the Company sold Ascenda for ~\$5M (16% CAGR).

King George International College

In March 2010, CIBT acquired King George International College for \$4.3M, growing annual revenues from \$16.4M to \$25M through its global network and platform. In September 2013, the Company sold the asset to Loyalist Group Inc. for \$13.5M (46% CAGR). In March 2017, GEC repurchased the former Loyalist assets (KGIC) for \$3.1M and consolidated them into Sprott Shaw College.

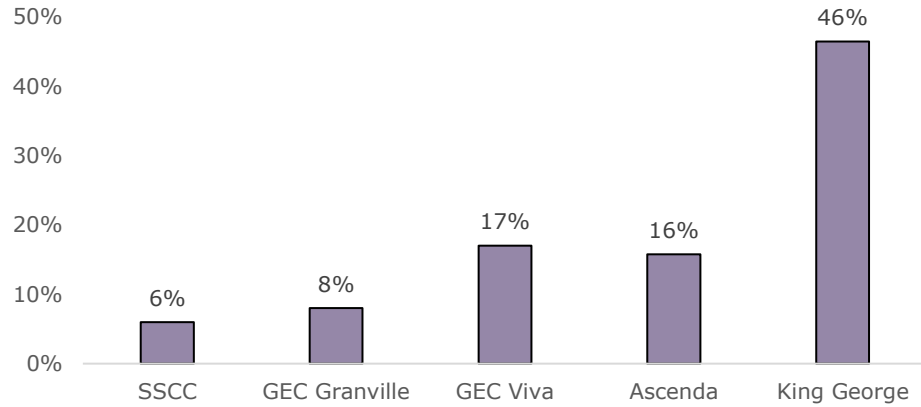


Figure 1: Annualized Return on Asset Sales (Not Including Generated Cash Flow, Source: Company Documents)

Growing Need for Student Housing

Student housing has been one of the best-performing sectors in the real estate market as the industry continues to face a critical housing shortage, affecting students most acutely. The market continues to be in a supply deficit due to various factors, including 1) rental control discouraging development and investment, 2) long development timeline for rezoning and construction, 3) permitting declining, which has dropped 65% from 2022 to 2024, and 4) increasing costs harming affordability. There is growing demand for rentals due to affordability issues and high interest rates, in addition to immigration trends.

GEC remains well-positioned to take advantage of this as its tenant base turns over annually compared to traditional rental properties. Developers are hesitant to enter the rental market due to rent control (3% increases for 2025, and 0 to 2% during the pandemic and post-pandemic years), making the student housing model vastly superior, as all of its leases are less than 1 year. As such, rental control does not apply to rental agreements of less than one year – student housing. Furthermore, most students go home during the summer break and sign a new contract for the new school year, meaning most of the tenant base turns over annually. GEC is able to fill these gaps with high school students attending summer camps and special interest camps during the summer.

Demand for student housing remains strong, with 6-10K students on the UBC dormitory waitlist and 2K students on SFU’s waitlist, while most other universities and colleges do not offer housing. There are over 550K post-secondary students in British Columbia (including 218K international students), a considerable portion of the province’s population. While the federal government has curbed international student permits over the last year, the existing student population already living in Canada is still very large compared to the small number of student housing properties across the country. As such, we do not foresee this as an issue for GEC, as the market will continue to be in a supply deficit. In fact, large student housing and real estate players have been continuing to build out student housing projects and purchase properties in the region over the last year, regardless of the international student regulations. As seen below, student housing beds in Canada are expected to grow at a 2% CAGR from 2024 to 2030, while historically the student population in Canada has grown at a 3% CAGR.

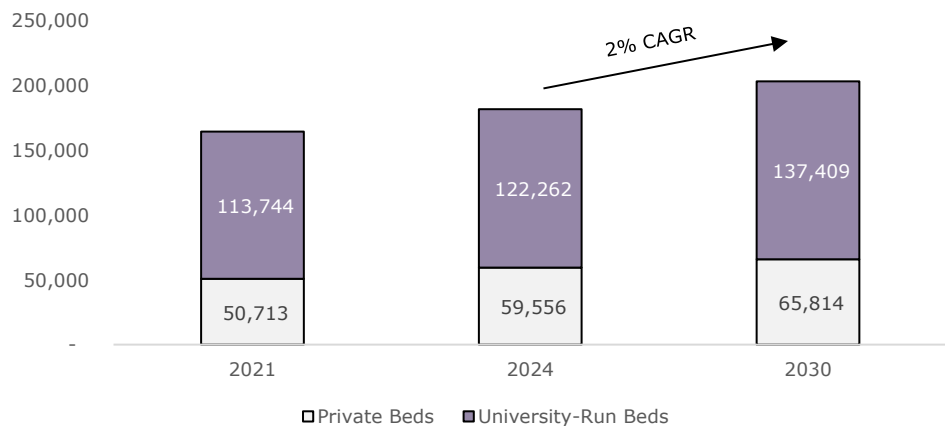


Figure 2: Limited Student Housing Beds Growth in Canada (Source: Bonard)

Government Support

There are several government initiatives built to support the market rental and student housing sectors at all levels of government. This includes:

Federal

- 1) GST removal on new rental construction – lowering overall project costs and improving developer returns on purpose-built rental projects.
- 2) \$55B CMHC funding for rental, senior, and student housing – creating more financing pathways for large-scale developments, like the GEC Education Mega Centre.
- 3) ACLP program updates for expedited approvals – reducing the long delays for development projects.
- 4) Up to 100% loan-to-cost ratio available – enabling developers to fully finance eligible rental housing projects without significant upfront equity.

Provincial – British Columbia

- 1) Bill 47 – transit-oriented area legislation allowing for >20 storeys. For example, GEC Langara was expanded from 10 storeys to 26 storeys after this bill was enacted, drastically improving profitability.
- 2) Density increases near transit hubs – enabling higher unit counts on existing sites and improving land-use efficiency.
- 3) Reduced parking requirements – lowering construction costs and freeing up space for additional rentable units or amenities.

Municipal – City of Vancouver

- 1) Eliminated parking requirements – cutting capital costs and removing a barrier that previously existed for higher-density project feasibility
- 2) Removed development cost levies – reducing upfront financial burdens and improving project feasibility.
- 3) Waived community area contribution fees – reducing non-construction expenses and making it more financially attractive to launch new housing projects.

Development Pipeline Driving Growth

The development portfolio includes five main locations, as seen below. This includes ~2,900 beds across British Columbia. We estimate that each bed adds \$15K in annual revenue or \$10K in annual NOI, meaning that once completed, the new projects will add over \$40M in revenue to GEC or roughly \$29M in NOI. The timeliest is GEC Oakridge, which should add >\$5M in annual revenue once complete in mid-2027.

- **GEC Oakridge (2027)** – Currently under construction with completion expected in Summer 2027. The asset will have 458 beds and will have 58 affordable housing units. This project is in partnership with Pomerleau Capital.
- **GEC Langara (2029)** – Excavation starts in early 2026. The property will have 650 beds and will be in partnership with Pomerleau Capital.
- **GEC Surrey/Education Mega Centre (2029)** – Excavation starts in Fall 2025. A development permit is in place, and GEC is expecting building permits by early 2026. This project is in partnership with Pure Group.
- **GEC Richmond (2030)** – Currently rezoning
- **GEC CyberCity** – Rezoning is currently pending enactment. The property is an education hub with a micro-suite hotel, student residence (267 beds), Sprott Shaw College and a local university, and ground floor retail. Development permits and building permits are expected 6-9 months after enactment. Completion is expected 42 months after building permit issuance. This includes a North and South Tower.

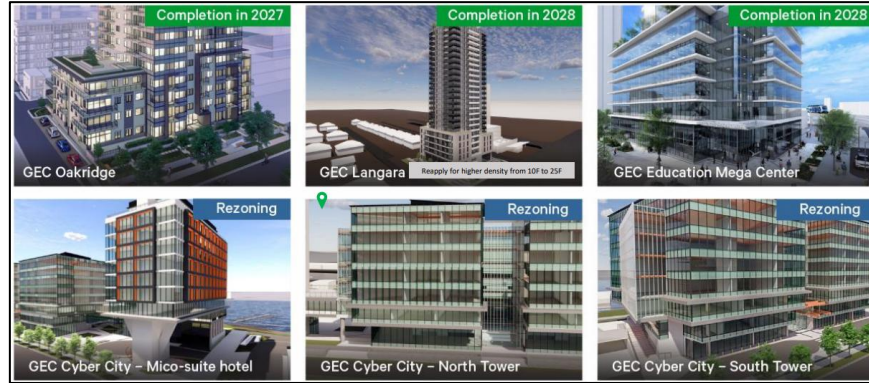


Figure 3: Development Pipeline

| Property | Expected Completion | Beds |
|---------------|---------------------|---------|
| GEC Oakridge | Summer 2027 | 458 |
| GEC Langara | 2029 | 650 |
| GEC EMC | 2029 | 1384 |
| GEC Richmond | 2030 | Unknown |
| GEC CyberCity | Unknown | 267 |

Figure 4: Development Summary

Education Mega Centre (EMC)

The EMC will include 49 storeys for mixed use, including retail, commercial space (pre-leased to GEC schools), offices, and 1,384 beds for rental across 43 floors. The land was acquired in 2019 and was rezoned in 2023. The project is in an elite location, in close proximity to the SFU Surrey Central Campus, Kwantlen Polytechnic University, the new SFU Medical School, Surrey Central SkyTrain station, and other popular locations, as seen below. There are 14 public and private colleges in Surrey, none of which provide housing for their students or staff.

The project is in partnership with Pure Group and has a construction budget of \$330M. Pure Group and GEC will be co-GPs of the EMC project, with Pure Group being responsible for the development, financing, construction and asset management. Upon completion, GEC will manage the EMC under the GEC brand, making available rental accommodations to 1,384 occupants, including educational staff and Canadian and international students. Pure Group is a Canadian-based real estate investment and development firm. Over the last 20 years, Pure Group has achieved success across North America through the Pure Industrial Real Estate Trust (PIRET), Sunstone Opportunity Funds, and Pure Multi-Family REIT.



Figure 5: Education Mega Centre Location (Source: Company Documents)

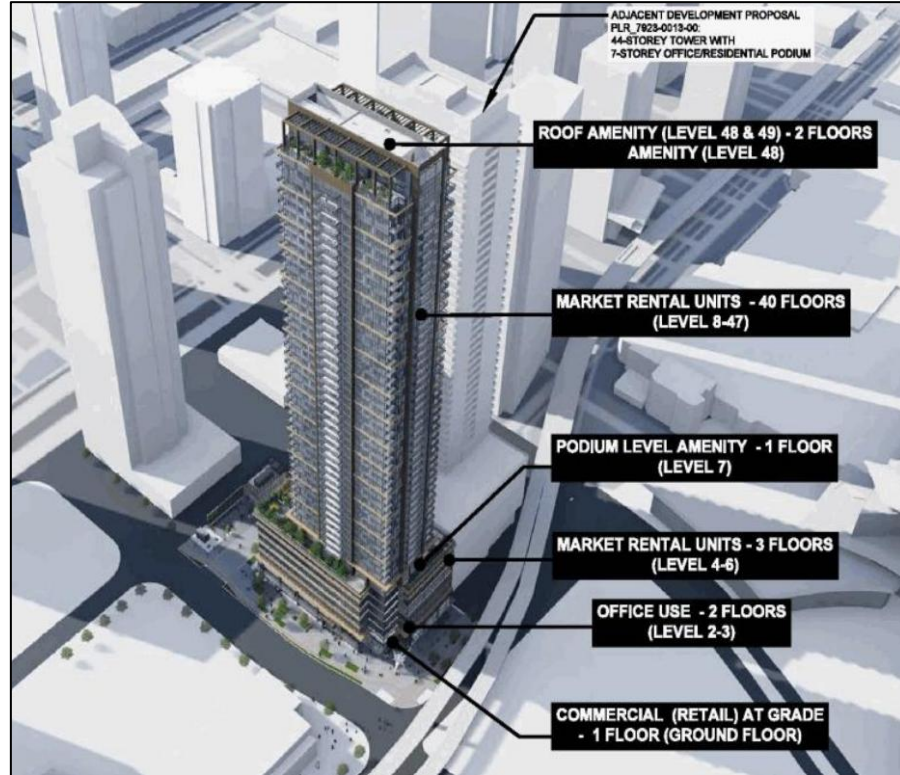


Figure 6: Education Mega Centre Design (Source: Company Documents)

Pomerleau Capital Partnership

In November 2024, GEC executed several agreements with an affiliate of Pomerleau Capital (PCAP). PCAP will invest and co-develop the Oakridge and Langara projects, with opportunities to repeat this structure for future assets. PCAP brings additional value from its construction subsidiary, ITC Construction Group, one of Canada’s largest construction companies. To date, Pomerleau Capital has structured over \$5B in financing for large-scale, complex infrastructure projects. Pomerleau Capital manages a portfolio of over \$500M in assets, particularly through its Real Assets Fund.

Management & Ownership

GEC is led by a seasoned management team with decades of combined experience across education, real estate development, and finance. The leadership group oversees both the Company’s education services and its growing portfolio of student-centric rental apartments. Ownership is distributed among CEO & Chairman Toby Chu (16%), Shane Corporation (14%), and other members of management and the board (8%), with the remaining 61% held by retail and institutional investors. We believe this mix of significant insider ownership aligns long-term strategic priorities with shareholder interests.

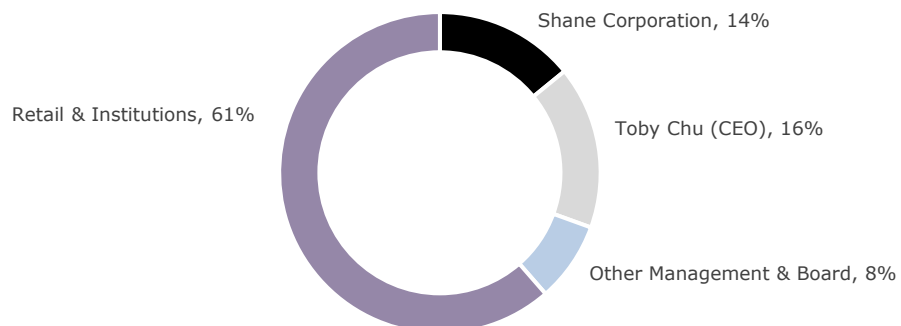


Figure 7: Ownership Summary

Valuation

Peer Group Analysis

We break down our peer group into two sections: education services and student housing. For FY26, we expect ~30% of revenue to come from the education segment, with student housing representing ~70%. The student housing/multi-family real estate group trades at 18.3x/16.9x FY26E/FY27E EBITDA, while the education services group trades at 10.3x/6.2x. Among the real estate peers, Unite Group Plc (UTG:LSE), Xior Student Housing (XIOR:BR), and Empiric Student Property Plc (ESP:LSE) are the most directly exposed to purpose-built student housing, which trade at 15.1x, 19.0x, and 17.6x FY27E EBITDA, respectively. While most of GEC's growth will come beyond FY27, these values give us an idea of where the stock could trade at once the development projects are complete. As such, we rely on the cap rate valuation to derive our target price. We would also like to highlight the valuation gap between the education services and real estate group, implying GEC is transitioning to a much higher multiple industry.

Once GEC reaches a considerable scale after its various developments are completed, we expect a major player to acquire the firm or its properties, or for GEC to transition to a REIT structure, especially given the active market backdrop. Pensions, REITs, and private equity players are trying to gain exposure in the sector. This was recently exemplified by Vancouver-based QuadReal Property Group's recent US\$913M acquisition of an eight-asset, 3,460-bed student accommodation portfolio in the U.K. In January 2025, Alignvest Student Housing REIT was sold to Forum REIF for \$1.7B. The transaction marked a 31% premium to the fair market value and delivered a 3x return on invested capital. Alignvest had scaled its portfolio to 7,159 beds across 17 properties in key university markets in Eastern Canada and had a minimal presence in Western Canada. In the U.S., Blackstone's Core+ funds completed a US\$12.8B take-private of American Campus Communities in 2022, at the time, the country's largest owner and manager of student housing.

The IFRS book value of GECH's assets in Q3 was \$375.8M or \$5.45/share. After removing the associated debt (\$228.7M) and non-controlling interests (\$112.4M), this leaves us with \$34.6M in equity in its properties or \$0.50/share. This represents 18% upside from the current stock price on the GECH division alone. However, this only includes GEC's current operations at fair value and does not incorporate the PF cash or education division. Management has stated that its consolidated operating and development portfolio is worth \$1.3B; GEC's ownership of this and the corresponding non-controlling interest is unclear; however, this would make for a much larger upside.

| Company | Ticker | Mkt Cap (\$US) | EV (\$US) | EBITDA Margin 2025E | P/NAV | EV/EBITDA | | |
|--|--------|-------------------|--------------|------------------------|-------------|--------------|--------------|--------------|
| | | | | | | FY25E | FY26E | FY27E |
| Student Housing/Multi-Family | | | | | | | | |
| Canadian Apartment Prop REIT | CAR.UN | \$4,743 | \$9,061 | 60% | 0.7x | 20.5x | 19.9x | 19.1x |
| The Unite Group Plc | UTG | \$4,871 | \$6,589 | 64% | 0.7x | 17.8x | 16.4x | 15.1x |
| Boardwalk Real Estate Investment Unit | BEI.UN | \$2,487 | \$5,114 | 57% | 0.7x | 19.5x | 18.5x | 17.7x |
| Xior Student Housing NN | 4658 | \$1,696 | \$3,433 | 76% | 1.1x | 21.2x | 19.9x | 19.0x |
| Killam Apartment REIT | KMP.UN | \$1,575 | \$3,166 | 61% | 0.6x | 18.6x | 17.7x | 17.0x |
| Interrent REIT | IIP.UN | \$1,350 | \$2,602 | 63% | 0.8x | 22.8x | 22.4x | N/A |
| Morguard Corporation | MRC | \$910 | \$5,035 | 46% | 1.0x | 13.7x | 13.4x | 13.1x |
| Empiric Student Property Plc | ESP | \$842 | \$1,292 | 55% | 0.8x | 19.6x | 18.3x | 17.6x |
| Average | | | | 60% | 0.8x | 19.2x | 18.3x | 16.9x |
| Educational Services | | | | | | | | |
| New Oriental Education & Technology Group Inc. | EDU | \$7,788 | \$4,578 | 13% | N/A | 5.6x | 4.8x | 4.3x |
| Tal Education Group | TAL | \$6,614 | \$3,473 | 7% | N/A | 18.1x | 11.2x | 7.6x |
| Grand Canyon Education, Inc. | LOPE | \$5,695 | \$5,429 | 33% | N/A | 14.9x | 13.7x | N/A |
| Perdoceo Education Corporation | PRDO | \$4,662 | \$4,148 | 28% | N/A | 17.8x | 17.0x | N/A |
| Laureate Education, Inc. | LAUR | \$3,976 | \$4,290 | 30% | N/A | 8.7x | 7.9x | 7.2x |
| Strategic Education, Inc. | STRA | \$1,944 | \$1,900 | 20% | N/A | 7.4x | 6.6x | 5.7x |
| Lincoln Educational Services Corporation | LINC | \$636 | \$809 | 13% | N/A | 13.1x | 10.9x | N/A |
| Average | | | | 21% | N/A | 12.2x | 10.3x | 6.2x |

Figure 8: Peer Group Analysis (Source: Capital IQ)

| GECH - NAV Valuation | | |
|----------------------|---------|----------|
| | \$M | \$/share |
| Assets | \$375.8 | \$5.45 |
| (-) Debt | \$228.7 | \$3.32 |
| (-) NCI | \$112.4 | \$1.63 |
| GECH Equity Value | \$34.6 | \$0.50 |

Figure 9: GECH Book Value (Source: Company Documents)

Cap Rate Valuation

For the cap rate analysis, we start with the 1,300 existing beds and apply a \$9,000/bed ratio to forecast an NOI of \$11.7M. As for the 2,900 development beds, we assign a \$10,000/bed ratio, resulting in NOI of \$29.0M in annual NOI. We assume a 3.5% cap rate to obtain a ~\$1.2B property value; however, much of this is in partnership with other firms, so we assume 30% is owned by GEC (average from below). We also assume that GEC will require an additional \$100M in capital/debt to accomplish the various investments in its development assets. We also assume a \$12.0M valuation for the remaining educational assets. Then, we adjust for the \$36.4M in PF cash and \$331.1M in projected debt to obtain an equity value of \$66.2M or \$1.00/share.

| Property | Beds | Ownership |
|---------------------|---------|-------------------|
| GEC Kingsway | 284 | 0% (Master Lease) |
| GEC Pearson | 330 | 38.5% |
| GEC Burnaby Heights | 80 | 25.0% |
| GEC Marine Gateway | 200 | 20.0% |
| GEC Viva Tower | 220 | 0% (Leaseback) |
| GEC King Edward | 220 | 18.5% |
| GEC Oakridge | 458 | 20.0% |
| GEC Langara | 650 | 20.0% |
| GEC EMC | 1384 | 20.9% |
| GEC Richmond | Unknown | 27.7% |
| GEC CyberCity | 267 | N/A |

Figure 10: Property Ownership (Development Assets in Grey, Source: Company Documents)

| Cap Rate Valuation | |
|---------------------------------|---------------|
| Operating Beds | 1,300 |
| NOI/Bed | \$9,000 |
| Operating NOI (\$M) | \$11.7 |
| Development Beds | 2,900 |
| NOI/Bed | \$10,000 |
| Development NOI (\$M) | \$29.0 |
| Total NOI (\$M) | \$40.7 |
| Cap Rate | 3.5% |
| Property Value | \$1,162.9 |
| GEC Ownership (Blended Avg) | 30% |
| GEC Property Valuation | \$348.9 |
| GEC Education Segment Valuation | \$12.0 |
| (+) PF Cash | \$36.4 |
| (-) Projected Debt | \$331.1 |
| Equity Value | \$66.2 |
| Target Price (Rounded) | \$1.00 |
| Upside | 135% |

Figure 11: Cap Rate Valuation

Tear Sheet

| Market Data | |
|------------------|----------|
| Ticker | GEC:TSXV |
| Stock Price | \$0.43 |
| Rating | BUY |
| Target Price | \$1.00 |
| Upside | 135% |
| Market Cap (\$M) | \$29.4 |
| Cash (\$M) | \$36.4 |
| Debt (\$M) | \$343.2 |
| EV (\$M) | \$336.2 |

| Capital Structure | |
|------------------------------|------|
| Basic Shares Outstanding (M) | 67.4 |
| Warrants (M) | 0.0 |
| Options (M) | 4.1 |
| FD Shares (M) | 71.5 |
| FD ITM Shares (M) | 69.1 |

| Ownership | |
|--------------------------|-----|
| Toby Chu (CEO) | 16% |
| Other Management & Board | 8% |
| Retail & Institutions | 61% |

| Financial Estimates | | | | | | | | | | | | |
|------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|------------|------------|------------|-------------|-------------|
| | FY24A | Q1/25A | Q2/25A | Q3/25A | Q4/25E | FY25E | Q1/26E | Q2/26E | Q3/26E | Q4/26E | FY26E | FY27E |
| Revenue (\$M) | 77.0 | 17.8 | 16.8 | 16.8 | 12.2 | 63.5 | 8.5 | 7.9 | 7.9 | 7.3 | 31.6 | 37.9 |
| % YoY | -2% | -20% | -4% | -8% | -36% | N/A | -52% | -53% | -53% | -40% | -50% | 20% |
| Gross Profit (\$M) | 38.3 | 9.9 | 8.1 | 7.9 | 6.4 | 32.3 | 4.7 | 4.5 | 4.5 | 4.2 | 17.8 | 17.6 |
| Gross Margin | 58% | 59% | 60% | 58% | 56% | 58% | 60% | 61% | 60% | 63% | 61% | 62% |
| Adj. EBITDA (\$M) | 10.7 | 1.3 | (0.9) | 6.8 | 1.4 | 8.6 | 1.3 | 1.2 | 1.2 | 1.3 | 5.0 | 7.0 |
| Adj. EBITDA Margin | 14% | 7% | -5% | 40% | 11% | 14% | 15% | 16% | 15% | 18% | 16% | 18% |
| Net Income (\$M) | (21.3) | (5.0) | (1.3) | 1.3 | (2.9) | (8.4) | (2.4) | (2.4) | (2.5) | (2.4) | (9.7) | (5.0) |
| Net Income attrib. GEC (\$M) | 1.1 | (2.2) | 0.5 | (0.2) | (0.9) | (2.7) | (0.7) | (0.7) | (0.8) | (0.7) | (2.9) | (1.5) |
| EPS (Basic) | (0.33) | (0.07) | (0.02) | 0.02 | (0.04) | (0.12) | (0.04) | (0.04) | (0.04) | (0.04) | (0.14) | (0.07) |
| FCFF (\$M) | (30.3) | (1.7) | 0.9 | 3.0 | (3.4) | (1.2) | 3.3 | (1.8) | (1.3) | (2.6) | (2.4) | (5.5) |

Figure 12: Tear Sheet

Company Overview

Business Model – Student Housing

Through its Global Education City Holdings subsidiary (GECH), the Company provides student housing, focusing on developing and managing student-centric rental apartments and education super-centres in Metro Vancouver. The subsidiary has a portfolio exceeding \$1.3B, including operational properties and projects under development. GECH has over 3,000 tenants across 8 operational buildings and 1,300 beds. GECH has a growing capacity, with 6 new buildings in its pipeline (with ~2,900 beds). The 8 buildings include GEC Burnaby, GEC Viva, GEC King Edward, GEC Kingsway, GEC Pearson North Tower, GEC Pearson South Tower, GEC Marine Gateway North Tower, and GEC Marine Gateway South Tower.

The Company has over 95 partner schools, including over 60% of Vancouver colleges, universities, and language schools. This includes UBC, Simon Fraser, Langara, Vancouver Film School, and ILAC, among others. Additionally, GECH has 2,400 agents in its global network across 79 countries. GECH uses a four-step strategy as seen in the figure below, which is highly repeatable. This gives GECH inherent advantages, given that its tenant experience is tied to each tenant's school, minimizing vacancies. GEC's approach includes adhering to provincial regulations, fully protecting student rights.

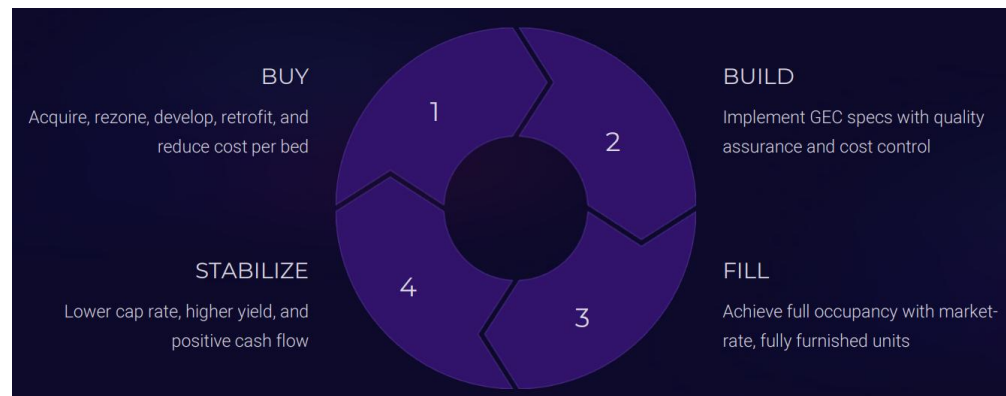


Figure 13: Business Model Strategy (Source: Company Documents)

Current Real Estate Portfolio

GEC's eight-building Metro Vancouver portfolio (six corporate-owned and two master leased) provides fully furnished, move-in-ready accommodations for domestic and international students as well as working professionals, helping address the region's chronic rental shortage. Designed around transit access, on-site amenities, and community programming, the portfolio provides reliable and affordable living near major campuses and employment hubs. The model generates three revenue streams: 1) project development and structuring fees, 2) proportional participation in project profits through limited partnership units, and 3) ongoing management and, in some cases, rental income from daily operations.

GEC Viva Tower — A 17-storey, newly renovated (2024) downtown residence with up to 220 beds and modern amenities; the largest student residence in downtown Vancouver. Transit puts all downtown campuses within ~10 minutes and major schools like UBC, VCC, Langara, and Emily Carr within ~45 minutes; monthly rent ranges from \$1,350 to \$3,814.

GEC Burnaby Heights — A four-storey concrete/wood-frame building positioned as Burnaby's largest off-campus student residence, offering some of GEC's most spacious 1- and 2-bedroom units. Typical transit times are ~30–45 minutes to BCIT, SFU, downtown campuses, VCC, Emily Carr, and Douglas Quiltlam; monthly rent ranges from \$1,200 to \$3,100.

GEC Pearson — Twin six-storey rental towers (up to 330 beds) foster a large, network-rich community. On-site gym, social lounge, caretaker, and maintenance enhance convenience, with daily needs within a 10-minute walk; rent ranges from \$1,200 to \$4,500 and transit times span ~5 minutes to Langara and ~30–60 minutes to most other campuses.

GEC Marine Gateway — One four-storey and one six-storey rental building (up to 200 beds) offering studios to two-bedroom townhomes, popular with students living with family, friends, or pets. A one-minute walk to the Marine Gateway mall and transit hub puts Langara ~10 minutes away and most major campuses ~30 minutes; monthly rent ranges from \$1,700 to \$4,564.

GEC King Edward — A five-storey apartment plus six townhouses (up to 220 beds) designed from feedback by 10,000+ residents, setting a high bar for upscale off-campus living. Expansive shared areas, a rooftop lounge with city views, and a lively outdoor commons pair with ~15–45-minute transit to most schools; rent ranges from \$1,450 to \$3,200.

GEC Kingsway — A six-storey rental (up to 284 beds) at Kingsway & Gladstone, an 8-minute walk to Nanaimo SkyTrain for quick links to downtown and Metrotown. Surrounded by shops and services, most major campuses are ~20–30 minutes by transit; monthly rent ranges from \$1,200 to \$2,900.



Figure 14: GEC Kingsway Building (Source: Company Documents)

Fully Equipped Living Spaces

GECH’s properties are move-in ready, featuring completely furnished apartments, bedding and linens provided, fully equipped kitchens, and in-unit washers and dryers. GEC offers an all-inclusive package with no hidden fees, all utilities covered, high-speed internet included, and bi-weekly housekeeping. The leases are adaptable, with terms from 90 days to 1 year. The properties have enhanced security with 24/7 monitoring as well as on-site maintenance support. The buildings are located near SkyTrain and transit stations, creating an easy commute to campuses. Furthermore, GEC forms a sense of community with social events, networking, and student counselling across its study areas, fitness centres, and social spaces. The Company does this all under the “GEC Living” brand, providing cohesion across properties.



Figure 15: Living Spaces (Source: Company Documents)

Shifting Demographics

International students remain a critical demand driver for the student housing sector; however, recent federal policy changes have created headwinds for future growth. In early 2024, the federal government implemented a two-year cap on new study permits, reducing 2025 approvals by 35% compared to the prior year. The cap set a ceiling of 360,000 permits annually, yet only 263,610 were issued in 2024, with the approval rate falling to 48% from 60% in 2023. As a result, Canada’s total international student population declined 4% year-over-year to 997,820 at the end of 2024. Despite these measures, the existing base of in-country students remains substantial, sustaining strong housing demand. Reflecting this shift, GEC saw its Canadian student proportion rise from 17% in 2024 to 42% in 2025. This means that GEC was able to weather the storm of regulatory changes well in 2025, where its revenue was largely stable due to housing international students already studying in Canada and domestic students from across Canada.

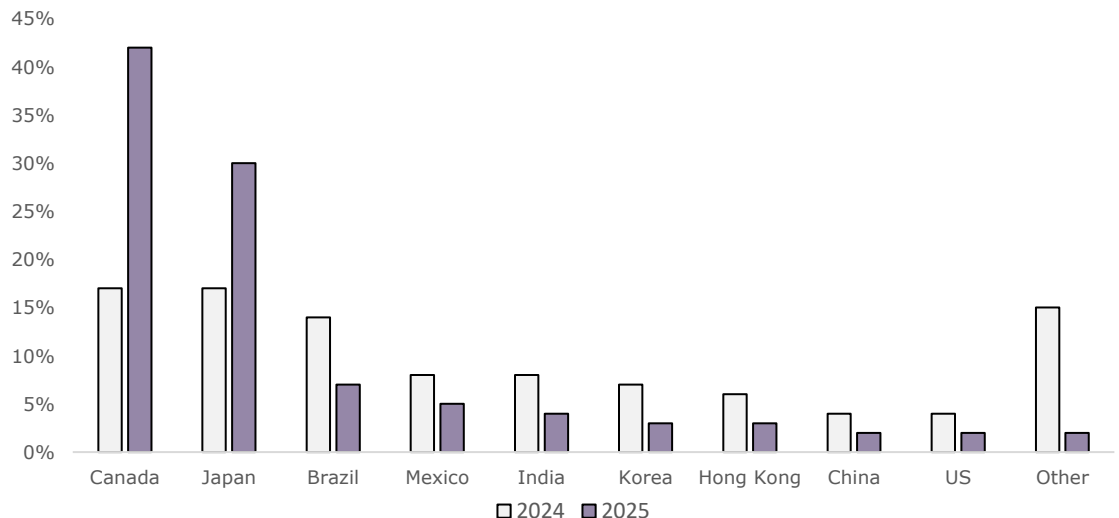


Figure 16: International & Domestic Distribution of GEC Tenants (Source: Company Documents)

Opportunity lies in catering to the students already in the country, as growing domestic demand is being driven by students relocating from other provinces as they move to attend school in British Columbia, particularly in Metro Vancouver. Purpose-built student accommodations (PBSA) appeal to these students by offering well-located, fully equipped housing that supports both academic focus and community integration, similar to university residences typically offered only to students in their first year at major schools.

Business Model – Education Services

GEC provides a holistic education experience to nearly 4,000 students annually, through SSLC Language College (formerly Sprott Shaw Language College), SSLC Business College (formerly Vancouver International College), and CIBT School of Business & Technology. These education subsidiaries offer programs covering business, e-commerce and technology. The Company has a student population of 3,700 following the SSC divestiture, across 10 campuses and administrative offices. GEC also owns Global Education Alliance (GEA), which specializes in placing students in elite North American schools and universities, and Irix Design, a leading design and media communications company.

History

Global Education Communities Corp. (formerly CIBT Education Group Inc.) was founded in 1986 and has evolved into one of Canada's largest private education and student housing investment platforms. In 2014, the Company launched its real estate arm, Global Education City Holdings Inc., to develop student-centric rental apartments across Metro Vancouver. In 2024 and 2025, GEC made major strategic moves, including the launch of its 16th GEC-branded building, the sale of Sprott Shaw College to BPP Education, and securing development approvals for large-scale projects like GEC Oakridge and the Education Mega Centre in Surrey. As of August 2025, GEC employs over 170 professionals globally, operates 24 education-related properties, and continues to scale its real estate portfolio.

Recent Announcements

On August 11th, Global Education Communities Corp. announced approval from the TSX to commence NCIB to repurchase up to 4.0M common shares (~5.9% of issued and outstanding; ~9.2% public float).

On August 7th, GEC completed the sale of its subsidiary, Sprott Shaw College, to BPP Education Group (UK). The all-cash transaction included all 16 campuses and two offices.

On July 14th, Global Education Communities Corp. reported its first positive net income quarter since 2022, with Q3/25 net income of \$1.3M compared to a \$4.9M loss in Q1/25.

On July 7th, GEC announced the sale of its Sprott Shaw College subsidiary to a European-based education provider for ~\$35M, the proceeds represent a cash value of \$0.52/share for GEC shareholders.

On June 24th, the Company's flagship joint venture, the GEC Education Mega Centre in Surrey, BC, received rezoning and development permit approvals for a 49-storey mixed-use tower housing up to 1,380 residents, including dedicated faculty accommodations for partner schools.

On June 16th, the GEC Langara project received Urban Design Panel approval to increase density from 10 to 26 storeys, expanding buildable area by 159% to accommodate ~650 occupants.

On May 14th, GEC announced the start of construction at its GEC Oakridge project in Vancouver, supported by \$124M in CMHC-sponsored financing and partnerships with Pomerleau Capital and ITC Construction Group.

On May 6th, GEC's subsidiary announced a joint venture with Pure Group to accelerate development of the Education Mega Centre in Surrey, leveraging Pure's development, financing, and asset management expertise.

On April 15th, the Company reported Q2/25 financial results, noting stable performance across its core operations and progress on its development pipeline.

Financials

Balance Sheet

As of Q3/25, GEC had approximately \$5.7M in cash, \$198.3M in debt, and \$32.8M in lease liabilities. Following the sale of SSC, we estimate the pro-forma cash at \$36.4M. The debt consists of \$73.8M in current debt (including \$59.1M in secured mortgages) and \$124.5M in non-current debt (mainly \$117.2M in secured mortgages). Only 22% of borrowings are variable rate, down from 47% in FY24, reducing interest rate exposure. GEC also carries a significant non-controlling interest of \$139.8M related to its limited partnership structures.

This represents a 10% debt-to-capital ratio, standard for real estate companies. While leverage is high before factoring in the \$35M cash proceeds from the sale of Sprout Shaw College, the Company's cash position, rental expansion and asset monetization potential (notably from GEC Oakridge and the Education Mega Centre) can support deleveraging over time.

Capital Structure

At the end of Q3, the Company had 67.4M shares outstanding with 4.1M in options and no warrants outstanding. The options have an average exercise price of \$0.25/share, providing additional cashflow to be reinvested. The shares outstanding have been stable over the years, declining slightly from 67.6M in 2022. We believe this speaks to the quality of the management team and their ability to find partners to finance its projects. GEC also has an NCIB to purchase up to 4.0M shares.

Financial Forecast

Our financial forecast for GEC can be found below. For the education segment, we assume GEC will generate \$9.3M in education-related revenue in FY26, following the divestiture. We assume this segment grows with inflation at 2%. As for the student housing segment, currently GEC has 1,300 operational beds, equating to a revenue per bed of ~\$15K. We apply this same ratio to GEC Oakridge, which will have 458 beds and complete construction in Summer 2027, adding >\$5M in annual revenue. We apply this same ratio to the new units coming in later years. Adding this to other growth initiatives with the current portfolio, including GEC Langara (650 beds by 2028) and Education Mega Centre (1384 beds by 2029), we expect strong revenue growth annually for the rental segment, as seen below. We assume the other segments are all flat.

| Financial Estimates | | | | | | | | | | | | | |
|-------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|------------|------------|------------|-------------|-------------|-------------|
| | FY24A | Q1/25A | Q2/25A | Q3/25A | Q4/25E | FY25E | Q1/26E | Q2/26E | Q3/26E | Q4/26E | FY26E | FY27E | FY28E |
| Educational | 56.4 | 12.7 | 12.2 | 12.6 | 7.5 | 45.1 | 2.5 | 2.6 | 2.6 | 1.6 | 9.3 | 9.5 | 9.7 |
| Rental | 17.3 | 4.5 | 4.1 | 4.1 | 4.1 | 16.8 | 5.4 | 4.9 | 5.1 | 5.2 | 20.6 | 26.8 | 34.8 |
| Development Fees | 1.5 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Design and Advertising | 0.6 | 0.2 | 0.1 | 0.0 | 0.2 | 0.5 | 0.2 | 0.1 | 0.0 | 0.2 | 0.5 | 0.5 | 0.5 |
| Commissions and Referral Fees | 1.3 | 0.3 | 0.3 | 0.1 | 0.3 | 1.0 | 0.3 | 0.3 | 0.1 | 0.3 | 1.0 | 1.0 | 1.0 |
| Revenue (\$M) | 77.0 | 17.8 | 16.8 | 16.8 | 12.2 | 63.5 | 8.5 | 7.9 | 7.9 | 7.3 | 31.6 | 37.9 | 46.2 |
| % YoY | -2% | -20% | -4% | -8% | -36% | -18% | -52% | -53% | -53% | -40% | -50% | 20% | 22% |
| Gross Profit (\$M) | 44.4 | 10.4 | 10.0 | 9.7 | 6.9 | 37.0 | 5.1 | 4.8 | 4.7 | 4.6 | 19.2 | 23.7 | 30.1 |
| Gross Margin | 58% | 59% | 60% | 58% | 56% | 58% | 60% | 61% | 60% | 63% | 61% | 62% | 65% |
| EBIT (\$M) | 6.1 | 0.5 | 1.9 | 1.9 | 0.5 | 4.7 | 0.4 | 0.3 | 0.3 | 0.4 | 1.4 | 6.1 | 9.4 |
| EBIT Margin | 35% | 11% | 46% | 45% | 12% | 28% | 7% | 7% | 5% | 7% | 7% | 23% | 27% |
| Adj. EBITDA (\$M) | 10.7 | 1.3 | (0.9) | 6.8 | 1.4 | 8.6 | 1.3 | 1.2 | 1.2 | 1.3 | 5.0 | 7.0 | 10.3 |
| Adj. EBITDA Margin | 14% | 7% | -5% | 40% | 11% | 14% | 15% | 16% | 15% | 18% | 16% | 18% | 22% |
| Net Income (\$M) | (21.3) | (5.0) | (1.3) | 1.3 | (2.9) | (8.4) | (2.4) | (2.4) | (2.5) | (2.4) | (9.7) | (5.0) | (1.7) |
| Net Income attrib. GEC (\$M) | 1.1 | (2.2) | 0.5 | (0.2) | (0.9) | (2.7) | (0.7) | (0.7) | (0.8) | (0.7) | (2.9) | (1.5) | (0.5) |
| EPS (Basic) | (0.33) | (0.07) | (0.02) | 0.02 | (0.04) | (0.12) | (0.04) | (0.04) | (0.04) | (0.04) | (0.14) | (0.07) | (0.03) |
| FCFF (\$M) | (30.3) | (1.7) | 0.9 | 3.0 | (3.4) | (1.2) | 3.3 | (1.8) | (1.3) | (2.6) | (2.4) | (5.5) | (2.0) |

Figure 17: Financial Forecast

Industry Overview Student Housing Market

Canada’s student housing market continues to face a national shortage, especially in major cities with large post-secondary institutions. Over the past five years, enrolment has grown faster than the supply of dedicated student housing, particularly purpose-built student accommodations (PBSA). Just as seniors’ homes are designed specifically for the needs of older adults and hotels are built for tourists, PBSA is developed with the unique requirements of students in mind. These properties are tailored to support academic life, providing layouts, services, and amenities that go beyond what a standard rental can offer.

Today’s students increasingly prioritize convenience, community, and security. Fully furnished, move-in-ready units with bedding, linens, kitchenware, and in-suite laundry are preferred over unregulated homestay arrangements or unfurnished private rentals. All-inclusive pricing models that bundle utilities, high-speed internet, and housekeeping simplify budgeting and reduce move-in stress. Proximity to transit, such as subway stations, is also highly valued, alongside 24/7 monitored security, on-site caretakers, and amenity spaces like study lounges and fitness centres. Flexible lease terms, from 90 days to one year, align with academic schedules, ensuring that student housing meets both lifestyle and academic needs while fostering a sense of independence within a supportive community. All of this combines to allow student housing to generate much higher rent per square foot than traditional multi-family real estate.

British Columbia & Metro Vancouver

British Columbia’s public post-secondary network includes 11 universities, 11 colleges, and three institutes, operating 38 campuses across the province. In addition, hundreds of private post-secondary institutions are registered with the Private Post-Secondary Institutions Agency of B.C. Combined, these institutions serve 553K students, including 218K international students from 150 countries, underscoring the province’s global educational appeal.

Demand for PBSA is concentrated around major institutions such as the University of British Columbia (UBC) and Simon Fraser University (SFU), where housing shortages are severe. As mentioned above, UBC has over 6,000-10,000 students on its dormitory waitlist, SFU has over 2,000, and most other institutions offer little to no off-campus housing. With Vancouver’s rental vacancy rate at just 0.9–1.4% in 2024, and government policy discouraging institutions from developing their own PBSA, much of the demand flows into an already undersupplied private rental market.

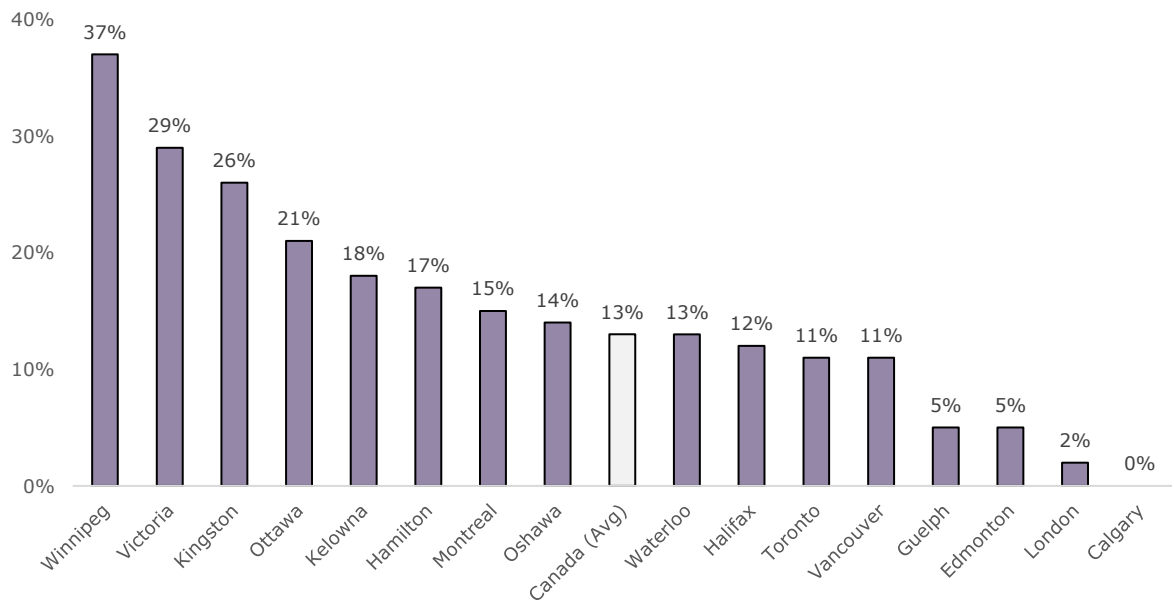


Figure 18: Student Housing Percentage of New Housing Supply (Source: Bonard)

As shown in the figure above, new student housing supply only represents 11% of total new housing in Vancouver, compared to the national average share of 13%. Cities such as Winnipeg (31%), Victoria (27%), and Kingston (27%) have experienced significantly stronger proportional growth in PBSA delivery over the 2020 to 2025 period. When compared to other countries, Canada’s overall PBSA growth is lagging, with the UK, France, and Germany averaging between 17% and 20% of growth, while Spain and Australia see higher rates of 39% and 27% respectively. This highlights both a regional imbalance within Canada and a broader international gap, highlighting the need for increased PBSA development in Vancouver and across Canada to accommodate students.

Demand Drivers

A combination of demographic trends, economic pressures, and housing market constraints continues to fuel strong demand for PBSA across Canada and particularly in Metro Vancouver. Delays in home ownership mean that potential buyers are remaining renters for longer, increasing competition for available rental units. Migration and immigration remain significant forces, with over 150,000 people moving to Metro Vancouver in 2023 from other provinces and abroad, further intensifying demand. Student demand is also a major contributor, as most colleges and universities do not offer housing, leaving students to compete directly in the private rental market. High home prices have pushed more households toward renting, while persistently high interest rates keep many from entering the ownership market at all. Rent control policies, though intended to protect tenants, have deterred investment in new rental developments and slowed the growth of the housing pipeline. In the PBSA sector, however, rent controls generally have little impact on operators like GEC, as the majority of student leases are short-term and turnover allows for periodic rent adjustments. Together, these demand-side factors create a sustained and resilient need for purpose-built student accommodation, supported by both international and domestic student populations as well as broader market conditions that favour renting over ownership.

The Supply Crisis

Metro Vancouver faces a range of structural challenges in expanding its housing stock. Rent-control policies discourage new rental development, causing developers to hesitate on rental-only projects. The development process is lengthy, with rezoning and construction cycles often taking up to seven years, resulting in supply growth that lags far behind demand. Unlike pre-sale condos, most developers are discouraged by the long-term holding dilemma of rental developments. Building permits have dropped 65% between 2022 and 2024, depleting pipeline inventory at a rapid pace. Rising interest rates, which were elevated starting in 2022, have also contributed to this slowdown. At the same time, affordability remains a key challenge, with four of Canada’s five most expensive cities located in Metro Vancouver.

In the context of student housing, these factors are partially mitigated by the counter-cyclical nature of PBSA. Even when the broader economy weakens, enrolment in higher education often rises, as individuals pursue additional qualifications or retraining. This pattern helps sustain steady or even growing demand for student housing, making occupancy and rental revenues more resilient than in sectors such as office or luxury residential real estate.

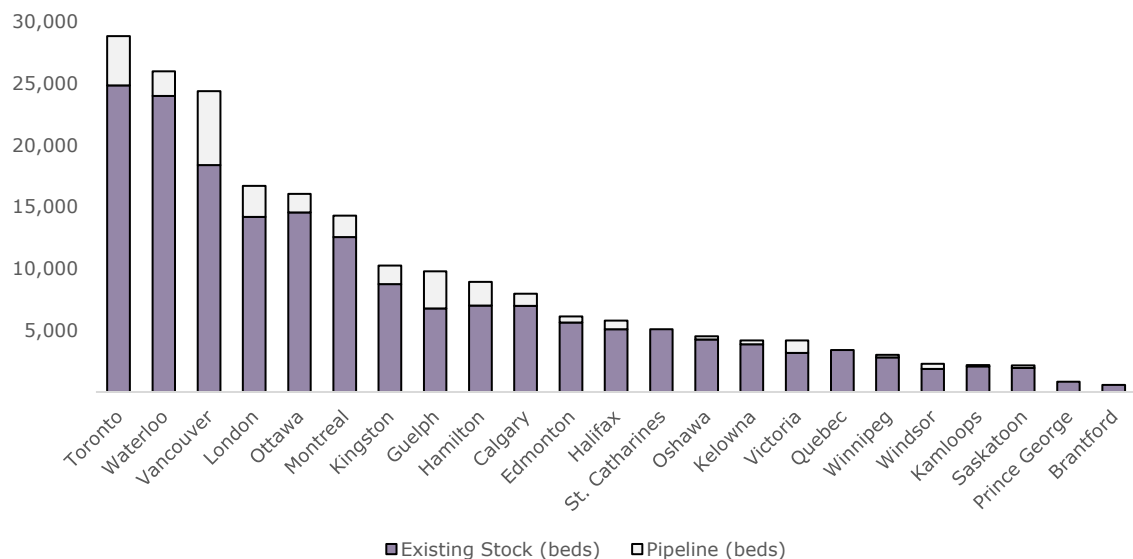


Figure 19: Student Housing Supply & Pipeline Development (Source: Bonard)

As shown in the figure above, the existing pipeline of new student housing, totalling 27,333 PBSA beds across Canada, is insufficient to meet demand, covering only 3.5% of the national shortage (Source: Bonard). In Vancouver, development is concentrated among a small number of operators, with GEC's upcoming projects, including GEC Langara and GEC Surrey/Education Mega Centre, representing the largest pipeline of new beds coming online in the province, as discussed further in the investment thesis. GEC is currently ranked the 7th largest student housing operator in Canada by Bonard, out of 64 portfolio brands nationwide. By contrast, most other projects are concentrated in Ontario cities such as Toronto, Waterloo, and London, which host multiple post-secondary institutions but also highlight a regional imbalance in supply growth. As such, there is very little competition in Vancouver. In recent years, many real estate developers have recognized this opportunity and begun building student-focused residential properties across Ontario, though this trend has yet to gain meaningful traction on the West Coast.

Policy Support and Incentives

Government initiatives at all levels are creating a more favourable environment for student housing development. Federally, measures such as the removal of GST on new rental construction, \$55B in CMHC funding for rental and student housing, and updates to the Apartment Construction Loan Program with loan-to-cost ratios of up to 100% improve project feasibility. Provincially, British Columbia's Bill 47, the Housing Statutes (Transit-Oriented Areas) Amendment Act, has been transformative for developers, especially GEC. Designating areas within 800m of rapid transit as high-density zones allows building heights of up to 20 storeys in locations where the limit was previously 10, significantly increasing potential unit counts. The bill also removes most minimum parking requirements in these zones, an important cost saving given that each underground parking stall can cost developers between \$100K and \$150K to build. At the municipal level, Vancouver has further enhanced project economics by removing development cost levies and waiving community area contribution fees. Together, these measures lower barriers, speed up timelines, and improve the financial viability of purpose-built student accommodation projects.

Education Services

The private post-secondary education industry in Canada encompasses around 1,500 institutions, far outnumbering the 210 public ones, though they serve a smaller share of students, ~11% of the national total. These institutions vary in type, including career colleges focused on vocational training, theological schools emphasizing religious studies, and private universities offering comprehensive academic programs. They provide diverse services such as certificates, diplomas, undergraduate and graduate degrees, co-op placements, and professional certifications in high-demand fields like business, technology, health care, digital media, and cybersecurity, often tailored to labour market needs and flexible for working adults or international students. Popularity has surged in the 21st century due to educational liberalization and marketization, with strong growth in provinces like Ontario (783 institutions), British Columbia (372 institutions), and Alberta (283 institutions), driven by rising demand for practical, job-oriented education amid public system constraints.

Metro Vancouver is a major hub for British Columbia's 372 private post-secondary institutions, concentrated in urban areas like Vancouver, Burnaby, and Surrey, where hundreds operate to serve local and international populations. Types include for-profit career colleges and private universities, offering short-term programs (3 months to 2 years) in areas such as business, health care, trades, culinary arts, film production, graphic design, and English as a Second Language (ESL), alongside degrees like MBAs and diplomas for quick employment entry. Enrollment remains popular, with BC's private career colleges attracting around 50,000 full and part-time students annually, particularly among elderly people and international learners seeking skill development amid labour shortages.

Management

Toby Chu – Chairman, President, & CEO

Mr. Chu is the founder, President, CEO, and Chairman of Global Education Communities Corp., which he established in 1994. Over the past three decades, he has built GEC into an international education and real estate corporation with 45 business locations in Canada and abroad. Key achievements include acquiring and expanding Sprott Shaw College into a diversified institution serving over 10,000 students annually, structuring and rebranding King George International College into Sprott Shaw Language College, and launching GEC's student housing division. Mr. Chu and his holding company hold ~11.07M shares, representing 16.4% of the outstanding shares.

Troy William Rice, CPA – Director & Chairman of Audit Committee

Mr. Rice has founded or served as an executive in over 20 start-ups and invested in more than 20 additional ventures, spanning technology, retail, and education. He has held executive roles at PetSmart, Comfort Systems USA, TransUnion, Universal Technical Institute, and GEC. Currently, he leads peer groups for Tiger 21 and is a Master Chair for Vistage International, coaching over 90 executives. He holds a BS in Accounting from the University of Iowa, an MBA from Arizona State University, and is a CPA. Mr. Rice holds 580K shares (~1%) of the Company.

Shane Weir – Independent Director & Compliance Committee Chairman

Mr. Weir is a commercial solicitor and registered investment advisor, and co-founder of Weir & Associates with offices in Hong Kong and Shanghai. He has advised major Canadian corporations on establishing operations in Asia and has served in advisory and directorship roles across finance, insurance, and corporate services. Mr. Weir holds a BA degree in Political Science and Philosophy and a Bachelor of Laws from the University of Saskatchewan, and has been certified by Hong Kong's SFC as an Investment Advisor. Mr. Weir holds ~2.37M shares (~4%) of the Company.

Derek Feng, MBA – Director & Member of Compensation Committee

Mr. Feng is an investor and advisor to technology and education companies, with previous CEO roles at Bright Scholar (BEDU:NYSE), Kidsmile Dental, Global Education & Technology Group, and ChinaCast Education Corporation. Earlier in his career, he was EVP of Strategy at Knowledge Universe and spent eight years at General Electric. He holds a bachelor's degree in industrial Automation from Tsinghua University and an MBA from UCLA.

May Hsu – Independent Director

Ms. Hsu has over 20 years of experience in market research, business development, and consulting for international firms. She has served as Acting Secretary of State for California (1990) and held advisory roles with various Chinese and North American corporations. She has led cross-border expansion initiatives in the technology and manufacturing sectors and is active in multiple California-based charitable organizations. Ms. Hsu and her holding company hold ~1.76M shares of the Company (3%).

Tony David – Independent Director

Mr. David has served as a director of GEC since 1998 and is an oral maxillofacial surgeon in private practice. He is a member of the Canadian Association of Oral and Maxillofacial Surgeons, the BC Association of Oral and Maxillofacial Surgeons, and the College of Dental Surgeons. He holds an MSc in Physiology from the University of Oregon and a Doctorate in Dental Medicine from Washington University in St. Louis. Mr. David holds 718K shares representing ~1% of the outstanding shares.

Risks

Real Estate Development & Market Cyclicalities – Average

GEC's student and corporate housing division holds a significant development pipeline, exposing the Company to real estate market cycles, construction cost inflation, and potential delays in permitting or project completion. A downturn in the Metro Vancouver property market, changes in rental demand, or a slowdown in international student inflows could impact occupancy rates, rental yields, and property valuations.

Regulatory & Policy Exposure – Low

The Company's education and housing businesses are subject to extensive regulation in Canada and abroad, including immigration policy, visa requirements, private education licensing, and municipal housing bylaws. Changes to federal or provincial rules, particularly regarding international student permits, could materially reduce enrolment and housing demand.

Concentration in Metro Vancouver – Above Average

While GEC has built a strong operational footprint in Metro Vancouver, this geographic concentration creates exposure to localized economic conditions, municipal policy shifts (e.g., zoning, foreign buyer restrictions, and rent control), and competition from other housing providers in the region.

Financial Risk – Average

As of Q3, GEC had \$231M in debt, as mentioned above. While this is normal for real estate companies, GEC's limited cashflow creates financial risk. Furthermore, we expect GEC to take on additional debt for the investments required in its development projects.

Illiquidity – Above Average

GEC shares trade at relatively low volumes on the OTC and TSXV, limiting liquidity for larger investors. Thin trading can contribute to price volatility and make it more difficult for institutional shareholders to establish or exit positions without impacting the market price.

Appendix

| FD ITM Shares Calculation | |
|---------------------------|-------------|
| Basic Shares Outstanding | 67.4 |
| Dilutive ITM Shares | 4.1 |
| Proceeds | \$1.0 |
| Repurchased Shares | 2.4 |
| Adj. Dilutive ITM Shares | 1.7 |
| FD ITM Shares | 69.1 |
| Full Diluted | 71.5 |

Figure 20: FD ITM Shares Calculation (Treasury Stock Method)

Disclosures

Analyst Certification

Each authoring analyst of Atrium Research on this report certifies that (i) the recommendations and opinions expressed in this research accurately reflect the authoring analyst's personal, independent and objective views about any and all of the designated securities discussed (ii) no part of the authoring analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the research, (iii) to the best of the authoring analyst's knowledge, she/he is not in receipt of material non-public information about the issuer, (iv) the analyst does not own common shares, options, or warrants in the company under coverage, (v) the analysts adhere to the CFA Institute guidelines for analyst independence, and (vi) this report belongs to the CFA Institute.

Atrium Research Ratings System

BUY: The stock is expected to generate returns of over 20% over the next 24 months.

HOLD: The stock is expected to generate returns of 0-20% over the next 24 months.

SELL: The stock is expected to generate negative returns over the next 24 months.

NOT RATED (N/R): Atrium does not provide research coverage on the respective company.

| RATING | COVERED COMPANIES |
|--------|-------------------|
| BUY | 28 |
| HOLD | 0 |
| SELL | 0 |

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