

ANNUAL
REPORT
2025|2026

Turning
challenges
into
opportunities



Table of Contents

| | |
|--|----|
| Message from the President and CEO | 4 |
| Message from the Chairman of the Board of Directors | 5 |
| Purpose and values | 7 |
| Overview: a Francophone health network dedicated to serving the public | 8 |
| Network territory | 10 |
| Network profile | 11 |
| Human resources profile | 13 |
| Board of Directors | 14 |
| Leadership Team | 15 |
| 2025-2026 Highlights and achievements | 16 |
| Results of the university mission | 33 |
| Activity volume | 34 |
| Annual salaries | 36 |
| Financial summary | 37 |
| Independent auditor's report | 38 |



Message from the President and CEO

Dear staff and partners,

As we reflect on the past year, I am pleased to present our annual report, a testament to our shared commitment to a high-performance, inclusive health care system rooted in our communities.

Throughout the year, our Network redoubled its efforts to meet the growing needs of our patients. Among our key achievements, we helped 30,000 new patients find a primary health care professional. This initiative has reduced access times for minor emergencies to less than 48 hours in certain regions, aligning directly with the Network's strategic priority of improving access to primary health care.

This annual report showcases a wide range of inspiring initiatives, tangible results and testimonials that demonstrate our efforts to building a more resilient, accessible and compassionate health care network.

Our successes would not be possible without the dedication and passion of our staff, volunteers and managers. Their energy, expertise and dedication are central to the impact we have on people's lives every day. To each and every one of you, our deepest gratitude.

I invite you to explore in depth the initiatives and priorities that have shaped our year and will continue to guide our actions in the months ahead.

Happy reading!

A handwritten signature in dark ink, appearing to read "Desrosiers". The signature is fluid and cursive, written in a professional style.

Dr. France Desrosiers
President and CEO



Message from the Chairman of the Board of Directors

Dear readers,

As Chairman of the Board of Vitalité Health Network, I am pleased and proud to present this annual report. It reflects the significant progress made across our Network, and testifies to our unwavering commitment to our patients, our communities and our purpose.

Once again this year, we have met many challenges with strategic and innovative initiatives that demonstrate our determination to offer optimal, sustainable health care. These initiatives, while strengthening our capabilities, also reflect our commitment to continuous improvement and progress.

Guided by a clear vision and a responsive strategic plan, we were able to rise above challenges while planning effectively for the future. By working together with our partners and communities, we are laying the foundations for a resilient health care system that is able to adapt to changing demographics and emerging needs.

Thank you for being an integral part of this collective adventure. Let's continue to meet today's challenges and build a promising future for our health care system.

A handwritten signature in black ink, appearing to read 'Thomas Soucy', written in a cursive style.

Thomas Soucy
Chair of the Board of Directors



Purpose

To foster the health of our patients and communities, today and tomorrow.

Through a collaborative, learning approach, we foster the health of our communities and ensure the best care for our patients. We are an innovative, forward-looking network where everyone's voice counts, and where patients and families come first.

Values

Safety and respect

above all

We treat our coworkers, community members, patients and their families with respect, dignity, sensitivity and compassion. We provide a health care and work environment that is caring, safe and respectful of differences.

Humility and curiosity

at the heart of a learning culture

We are curious, humble and open-minded in the face of challenges and setbacks, thereby fostering learning and growth. Everyone's creativity, energy and innovative spirit support the continuous improvement of our care and services.

Collaboration and mutual support

that promote synergy

We seek and value the ideas and contributions of everyone in achieving common goals. Mutual support and synergy within teams foster a sense of belonging and empower individuals and teams.

Integrity and accountability

in all our actions

We provide care and services that meet the highest quality standards. We act ethically, honestly and responsibly and we keep our promises and commitments.

Overview: a Francophone health network dedicated to serving the public

Vitalité Health Network is recognized for its Francophone identity and its commitment to providing quality health care in the official language of the patient's choice. As the only one of its kind in Atlantic Canada, with some 60 points of service across four key geographic zones in northern and southeastern New Brunswick, The Network plays an essential role in the provincial health care system. These zones are designated as follows:

- Beauséjour Zone (health region 1B)
- Northwest Zone (Health Region 4)
- Restigouche Zone (Health Region 5)
- Acadie-Bathurst Zone (Health Region 6)

In addition to these points of service, 32 local family health teams have been set up to provide better access to primary health care.

Each year, with a **budget of \$949.8 million** (excluding Medicare), the Network meets the needs of a **population of 283,125 people**. This mission is made possible through the dedication of approximately **9,118 employees, 661 physicians** and **642 volunteers**, all driven by a common purpose: to serve with compassion and professionalism.

STRONG COMMUNITY SUPPORT

Ten partner foundations support the Network by funding projects and initiatives that make a real difference in the patient experience. These close ties between the Network's foundations, facilities and programs actively contribute to the health and wellness of the communities they serve.



A COMPREHENSIVE AND INCLUSIVE RANGE OF SERVICES

Vitalité Health Network offers a wide range of services, from acute hospital care to homecare, public health, mental health and addiction services, long-term care for veterans, as well as training and research. It also delivers outpatient and community-based services, along with a range of services to the various First Nations communities in New Brunswick.

PROVINCIAL LEADERSHIP IN HEALTH

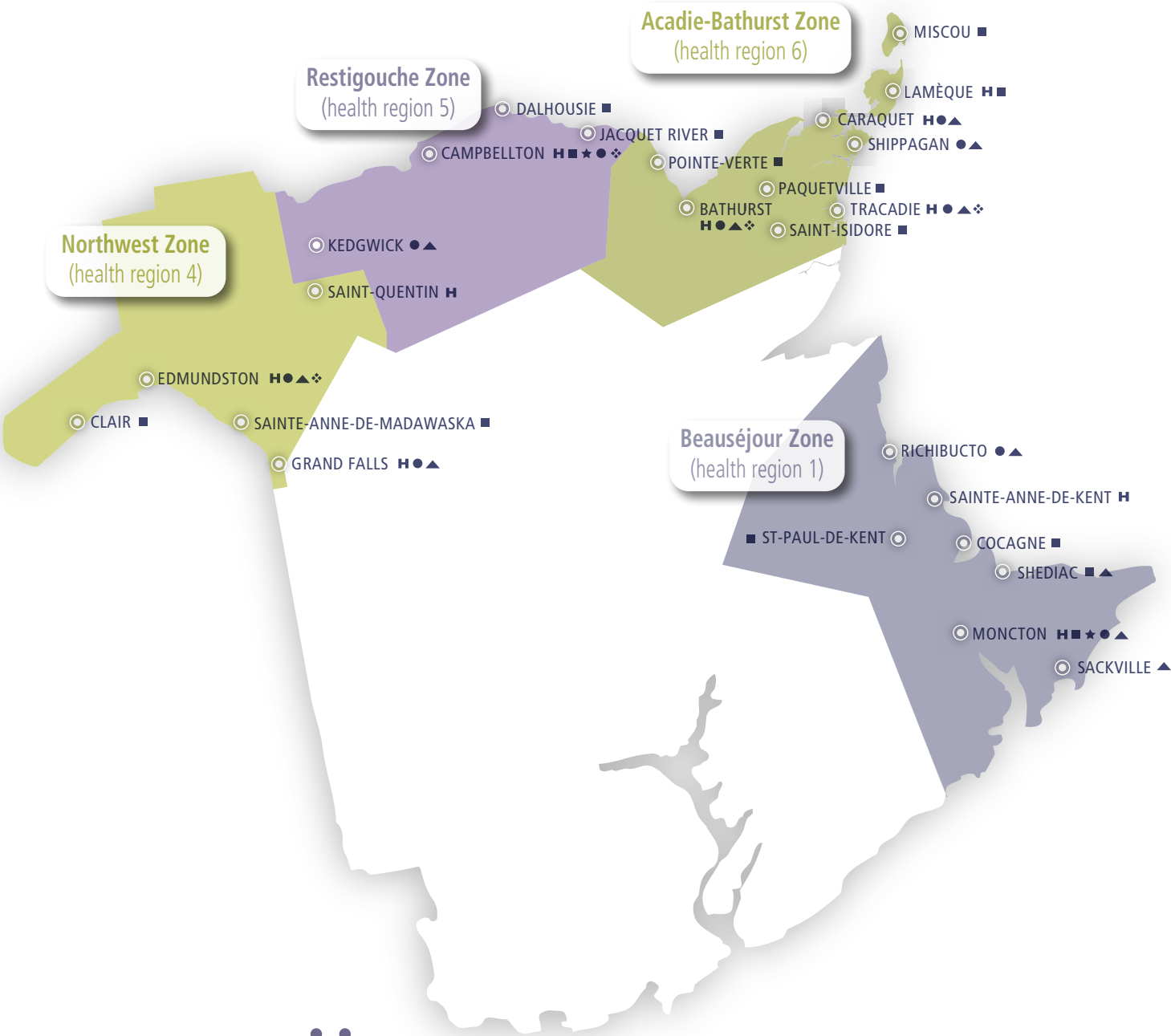
The Network is responsible for several key provincial programs, including:

- public health laboratories;
- forensic psychiatry;
- bariatric surgery services;
- gyneco-oncology departments;
- the colon cancer screening program;
- genetic services;
- the Fetal Alcohol Spectrum Disorder (FASD) Centre of Excellence;
- the Sexual Assault Nurse Examiner (SANE) program;
- the cochlear implant follow-up program;
- provincial program for phenylketonuria (PKU);
- provincial Specialized Supplements Program.

GOVERNANCE FOCUSED ON CONTINUOUS IMPROVEMENT

The Network is led by a Leadership Team that includes the President and CEO, as well as Vice-Presidents. This team, along with invited members, meets every six weeks to review current projects, identify challenges and make continuous, responsive adjustments to its learning-based strategic planning to achieve optimal outcomes.

Network territory



Population served
283,125



Budget
\$949.8 million
(including depreciation and excluding Medicare)

Network profile

Foundations (10)

Fondation Les Amis de l'Hôpital de Tracadie Inc.
 Chaleur Regional Hospital Foundation Inc.
 La Fondation de l'Hôpital de Lamèque Inc.
 Fondation Hôpital de l'Enfant-Jésus Inc.
 Les Ami.e.s de l'Hôpital Stella-Maris-de-Kent

FCHU Dumont Foundation
 Edmundston Regional Hospital Foundation
 Foundation of the Friends of the Grand Falls General Hospital
 Fondation Dr Romaric Boulay (Saint-Quentin)
 Friends of Healthcare Foundation (Campbellton)

H Hospitals (11)

Dr. Georges-L.-Dumont University Hospital Centre
 Campbellton Regional Hospital
 Chaleur Regional Hospital
 Edmundston Regional Hospital
 Restigouche Hospital Centre
 Enfant-Jésus RHSJ+ Hospital

Tracadie Hospital
 Lamèque Hospital and Community Health Centre
 Stella-Maris-de-Kent Hospital
 Grand Falls General Hospital
 Hôtel-Dieu Saint-Joseph de Saint-Quentin

Community Health Centres (3), Health Centres (8) and Clinics (5)

Saint-Isidore Community Health Centre
 Lamèque Hospital and Community Health Centre
 St. Joseph Community Health Centre (Dalhousie)
 Chaleur Health Centre (Pointe-Verte)
 Miscou Health Centre
 Paquetville Health Centre
 Greater Moncton Health Centre

Shediac Regional Medical Centre
 Dr. Chanel-Dupuis Health Centre
 (Sainte-Anne-de-Madawaska)
 Jacquet River Health Centre
 Dr. Léon-Richard Oncology Centre
 Cocagne Health Clinic
 Healthy Aging Clinic (Dieppe)

Saint-Paul-de-Kent
 Satellite Clinic
 Haut-Madawaska
 Medical Clinic
 E.L. Murray Medical Clinic
 (Campbellton)

★ Veterans' Unit/Centre

Veterans' Health Centre (Moncton)

Veterans' Unit – Campbellton Regional Hospital

● Community Mental Health Centres (10 + 2 points of service)

Bathurst
 Campbellton (point of service in Dalhousie)
 Caraquet

Edmundston
 Grand Falls
 Kedgwick

Moncton
 Richibucto
 (point of service in Shediac)

Shippagan
 Tracadie

▲ Public Health - Main Offices (11 + 3 points of service)

Bathurst
 Campbellton (points of service in Dalhousie
 and Jacquet River)

Caraquet
 Edmundston
 Grand Falls

Kedgwick
 Moncton (point of service in Sackville)
 Richibucto

Shediac
 Shippagan
 Tracadie



❖ **Addiction Services for Adults (4)**

Bathurst Caraquet
Campbellton Tracadie

Addiction and Mental Health Services for Children and Youth (11)

Bathurst Saint-Louis-de-Kent
Campbellton Saint-Quentin
Caraquet Shediac
Edmundston Shippagan
Grand Falls Tracadie
Moncton

Local family health teams (32 teams)

Moncton (3)
Dieppe and Memramcook (8)
Shediac and Cap-Acadie (2)
Bouctouche, Richibucto et Saint-Antoine (1)
Edmundston and Upper Madawaska (1)
Grand Falls (2)
Dalhousie, Balmoral and Belledune (1)
Campbellton, Atholville and Tide Head (2)
Shippagan and Lamèque Island (2)
Caraquet and Rivière-du-Nord (1)
Tracadie and Hautes-Terres (2)
Bathurst and Belle-Baie (7)

Human resources profile

Data to March 31, 2026

Total number of employees **9,118** 

80.32%  Women

19.66%  Men

0.01%  Other

41 years  Average age of staff

7,100 Full-time equivalent (FTE)

6,323  Full-time

2,795 Part-time*

661 Active and associate physicians

357  Family and emergency physicians

304 Specialist physicians



*For the purposes of the annual report, the part-time category includes casual and temporary employees.



Board of Directors

(As of March 31, 2026)

MEMBERS OF THE BOARD OF DIRECTORS

- **Thomas Soucy**, Chairman, Northwest Zone
- **Réjean Després**, Beauséjour Zone
- **Misty Labillois**, Restigouche Zone
- **Janice Goguen**, Beauséjour Zone
- **Léo-Paul Pinet**, Acadie-Bathurst Zone
- **Johanne Thériault Paulin**, Acadie-Bathurst Zone
- **Claire Savoie**, Acadie-Bathurst Zone

EX OFFICIO MEMBERS

- **Dr. France Desrosiers**, President and CEO and Board Secretary
- **Annie Carré**, Chairperson of the Professional Advisory Committee
- **Dr. Éric Levasseur**, Chairperson of the Medical Advisory Committee



Leadership Team

(As of March 31, 2026)

LEADERSHIP TEAM MEMBERS

- **Dr. France Desrosiers**, President and CEO
- **Patrick Parent**, Assistant CEO
- **Brigitte Sonier-Ferguson**, VP – Learning Health System
- **Josée Gagnon**, Vice-President – Transversal Services
- **Dr. Natalie Banville**, Vice-President of Medical Affairs
- **Jenny Toussaint**, Vice-President, Clinical Logistics
- **Ghislaine Arsenault**, Vice-President, Communications and Engagement
- **Pierre Michaud**, Vice-President, Corporate Services
- **Allison White**, Corporate Director of Nursing
- **Dr. Éric Levasseur**, Chief Medical Officer (permanent guest)

2025-2026 Highlights and achievements

Health and Community Services



TARGET

- Connect each person to a local family health team, physician or family nurse practitioner in their community.
- Offer regular appointments in five days or less, and appointments in less than 48 hours for minor health problems requiring rapid assessment.
- Better integrate public health, mental health and primary health care services to provide more comprehensive, coordinated and easier-to-navigate care.

Local family health teams play a central role in transforming the health care system. This model relies on teamwork between doctors, nurses and other health care professionals to improve access to care.

As of April 1, there were 32 local family health teams active in the communities served by the Network. Of these, 24 teams offered rapid access within 48 hours for minor emergencies.

In other respects, 93% of patients are now cared for by a team, a physician, a nurse practitioner or a family nurse practitioner.

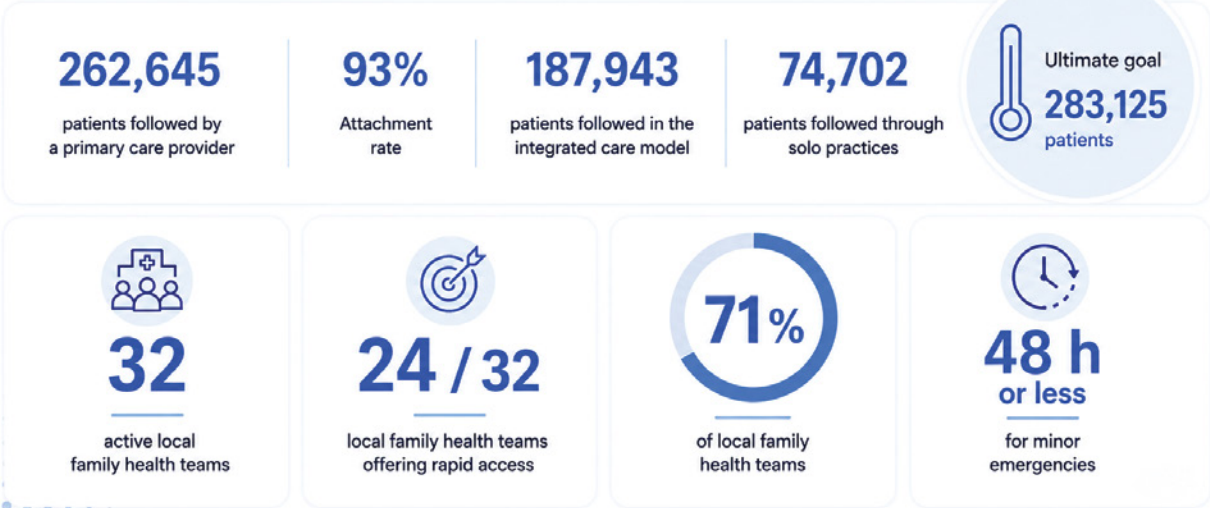
Over the past year, the Network has worked to strengthen team collaboration, improve the use of electronic medical records and share best practices among professionals. These changes improve the allocation of tasks based on patient needs, facilitate the monitoring of chronic diseases and reduce certain administrative tasks, freeing up more time for patient care.

This transformation also aims to reduce pressure on hospitals by offering more care in the community. The Network is working to develop a range of community services better adapted to patient needs. This includes chronic disease monitoring, prevention, health education, minor emergencies and some regular follow-ups.

Over the coming months, the Network will continue to integrate public health and mental health services into the local family health team model.

RAPID ACCESS TO LOCAL FAMILY HEALTH TEAMS

Performance indicators



Surgery

TARGET

- Improve access to surgical care by optimizing care pathways, reducing wait times and making more efficient use of the Network's surgical resources.

Over the past year, Vitalité Health Network has continued its efforts to improve access to surgical services.

The results observed in Orthopedics demonstrate ongoing progress. The proportion of knee surgeries performed within 182 days rose from 48% in March 2023 to 62% in March 2026. For hip surgeries, this percentage increased from 51% to 72% over the same period.

The Network has signed agreements with eye care clinics in Bathurst, Dieppe and Edmundston to improve access to cataract surgeries. These partnerships have enabled us to significantly increase the volume of out-of-hospital surgical procedures.

Overall, the number of cataract surgeries increased by 57%, while the number of ophthalmic surgeries on hold fell by 37% in one year.

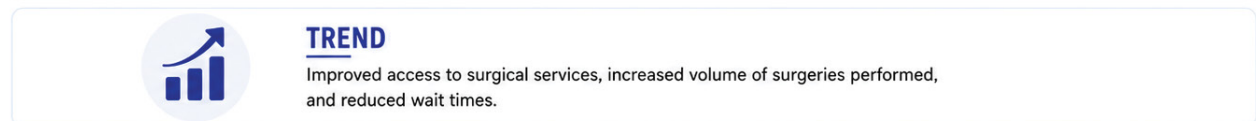
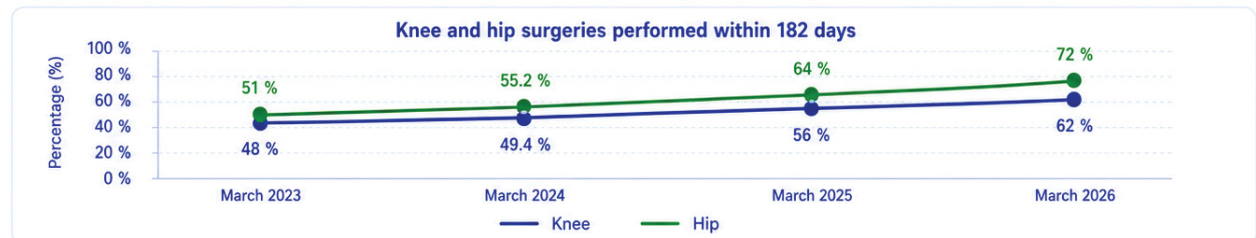
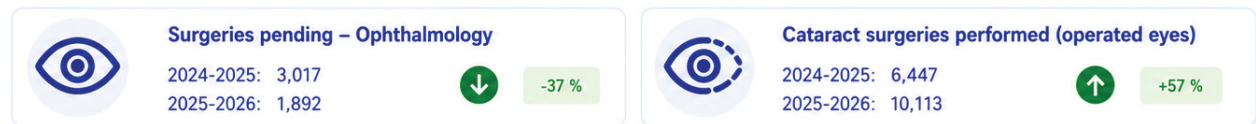
This approach has also freed up hospital operating time for other procedures.

Projects planned for the coming year include the opening of an eighth surgical suite at the Dr. Georges-L.-Dumont University Hospital Centre to increase operating capacity.

SURGERY

Performance indicators 2025-2026

KEY RESULTS



▲ A centralized system for hip and knee surgeries

The Network has also set up a centralized orthopedic referral management system for patients with osteoarthritis of the hip or knee. This central system is designed to simplify the process for patients who may need orthopedic surgery.

Through this model, patients are first assessed by a physiotherapist rather than waiting directly for an appointment with a surgeon. In collaboration with an orthopedic surgeon and a coordinator, the physiotherapist determines the most appropriate treatment plan. Namely, patients can be referred to the GLA:D program, which combines teaching with a supervised exercise program. This approach enables patients to better manage their condition, reduce pain and improve mobility, which can sometimes delay or avoid the need for surgical intervention.

The initiative will first be rolled out in the Beauséjour and Acadie-Bathurst zones, before being gradually extended to the entire Network. In the longer term, the aim is to expand this centralized model to all orthopedic referrals.

▲ Digital support extended to liver and pancreatic surgeries

Vitalité Health Network and Horizon Health Network have expanded their partnership with SeamlessMD to support patients undergoing liver and pancreatic surgeries at the Dr. Georges-L.-Dumont University Hospital Centre or The Moncton Hospital.

Accessible via smartphone, tablet or computer, this clinical pathway app guides patients before and after their surgery with personalized reminders, educational information, explanatory videos and symptom tracking. Already used for colorectal and gynecology-oncology surgical procedures, it will shortly be deployed for hip and knee surgeries.

This approach supports a safer return home, improves the patient experience and helps reduce readmissions, emergency room visits and hospital stays.



▲ Ophthalmology services return to Campbellton

The Network has restored ophthalmology services at the Campbellton Regional Hospital. An outpatient clinic is now offered every Friday, in partnership with Dr. Robert Javidi's clinic and a team of six ophthalmologists. This service provides Restigouche residents with access to routine diagnostic examinations, follow-ups and medical treatments in their region. The clinic is expected to serve approximately 3,000 patients a year.

Emergency Departments



TARGET

- Redirect less urgent cases to primary health care to ensure that emergency departments are more available for situations requiring immediate care.
- Ensure accessibility to emergency departments and improve compliance with national waiting time standards.

Emergency departments play an essential role in responding rapidly to critical situations. To maintain this capacity, Vitalité Health Network is continuing its efforts to better direct patients to the right service, based on the urgency of their need.

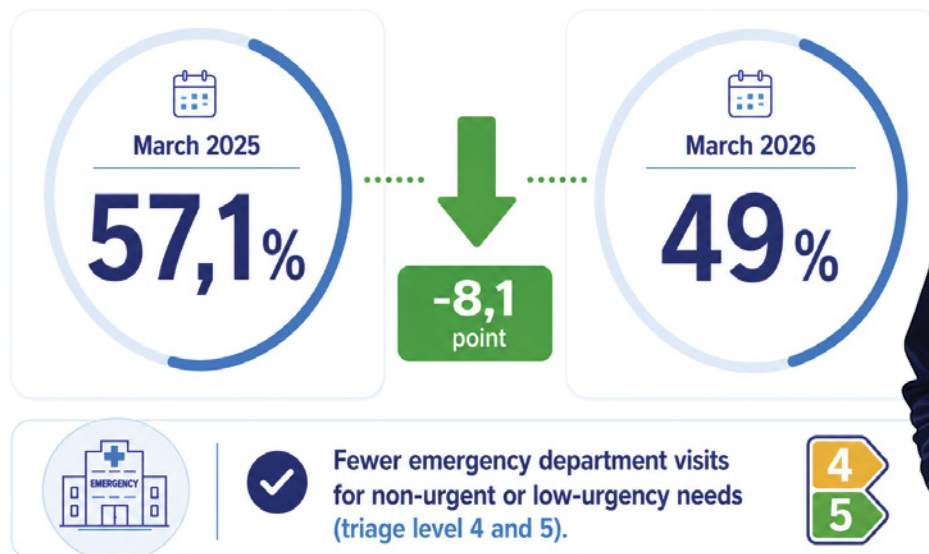
In recent months, emergency department visits for non-urgent or low-urgency needs (triage levels 4 and 5) have decreased. These situations involve health issues that can often be managed by a primary health care team, such as a family doctor or nurse practitioner. This is an encouraging trend, reflecting the gradual improvement in access to primary health care in communities.

The proportion of non-urgent or low-urgency visits to the emergency department has fallen from 57.1% in March 2025 to 49% in March 2026, indicating that emergency departments are being called upon more for situations that really do require immediate attention.

Throughout the year, improvement initiatives were also implemented to reduce the average time to see a doctor based on the level of triage, as well as the wait time for patients to be assigned an appropriate hospital after their admission from the emergency department.

Over the coming months, the Network will be working to strengthen the referral of non-urgent and low-urgency cases to local family health teams. By the end of 2026, our goal is to also have patient care attendants in all community hospital emergency departments, to help reassess patients' needs and improve the flow of services.

Share of non-urgent or low-urgency visits to the emergency department



Patient flow



TARGET

- Optimize hospital performance to deliver the right care, by the right caregiver, at the right time, in the right place.
- Maintain a safe occupancy rate in hospitals, ensuring that beds are available for people requiring acute care.
- Accompany patients whose condition no longer requires this level of care to the most appropriate environment, with the support of community services.

Improvement projects have been carried out in all four zones to facilitate discharges, reduce length of stay and preserve patient autonomy. These initiatives include discharge planning upon admission, implementation of discharge criteria, improved communication with families and increased collaboration with community partners.

This approach helps to reduce prolonged hospital stays, free up acute care beds more quickly and improve access to beds from the emergency department.

Some units have seen an average reduction in length of stay of around 20%. At the Chaleur Regional Hospital, the average time between medical discharge and the patient's physical departure decreased from 400 to 300 minutes, improving discharge flow. At the Edmundston Regional Hospital, efforts have helped to reduce the average length of stay and improve the time it takes to obtain a hospital bed for patients admitted from the emergency department.

Transition to appropriate settings

The Network has strengthened its internal capacity to conduct level-of-care assessments internally, with the goal of reducing delays and the number of patients awaiting transition to an alternate care setting.

At the same time, overflow plans were implemented in all hospitals to maintain capacity in acute services and the access to beds for emergency patients.

The Network is also continuing to convert long-term care beds into transitional beds. These units welcome patients who no longer require acute care, supporting their mobility and independence, their return home or their transition to another appropriate setting. They help to improve the availability of hospital beds and facilitate timely access to specialized care and emergency services.

In addition, the reopening of the Transition Unit at the Lamèque Hospital and Community Health Centre, back to its full 12-bed capacity, and the addition of a new 10-bed unit at the Enfant-Jésus RHSJ+ Hospital in Caraquet in mid-August 2026, will increase hospital capacity on the Acadian Peninsula.



Oncology



TARGET

- Provide cancer patients with rapid, coordinated and equitable access to specialized care, while strengthening clinical, psychosocial and practical support throughout their care journey.

The Dr. Léon-Richard Oncology Centre plays an essential role in cancer management in New Brunswick, diagnosing and treating two-thirds of new cases in the province. In 30 years, the number of active patients has risen from 772 to over 38,000, and a 21% increase in the oncology program's patient base is expected by 2047.

This sustained growth calls for a gradual transformation of the organization of services to improve access, support clinical teams, ensure better coordination between partners and meet patient needs.

Over the past year, Vitalité Health Network has continued to develop its oncology program around two main priorities: strengthening access to cutting-edge specialized treatments and better supporting cancer patients throughout their care journey.

▲ Advanced brachytherapy

The introduction of advanced brachytherapy represents a major improvement in the management of certain gynecological cancers, particularly cervical cancer. This approach delivers a highly targeted dose of radiation directly to the tumour site while limiting exposure to surrounding healthy tissue. It reflects a commitment to offer more specialized, precise treatments that are better aligned with patients' clinical needs.

▲ New radiosurgery department

The new radiosurgery department enhances the range of treatments offered in radiation oncology. This technology makes it possible to treat certain lesions or tumours with great precision, using targeted doses of radiation delivered in a limited number of sessions. For eligible patients, it can improve access to specialized treatments, reduce travel and support more coordinated care.

▲ Support for cancer patients

A new non-medical support program has been launched to accompany cancer patients and their loved ones. Established through a partnership between the Fondation CHU Dumont Foundation and the Friends of the Moncton Hospital Foundation, this program offers a series of Wellspring Canada activities and resources free of charge, in both French and English. The offered services are designed to meet the emotional, social and practical needs of patients and their families. These include programs in mindfulness and relaxation, exercise and movement, therapeutic arts, individual and group support, financial and career counseling, as well as tools to better manage symptoms such as pain and fatigue.

Number of days between the decision to begin oncology treatment and the administration of the first treatment



Mental Health and Addiction Services



TARGET

- Faster access to services and consideration of the impacts of structural stigma on access to care.
- Simplified navigation and support tailored to the level of intensity required.
- Reducing the effects of substance use on individuals, families and communities through prevention, support, harm reduction and recovery approaches.

Transforming mental health and addiction services aims to provide faster, smoother and more compassionate access. This evolution is based on an empathetic and preventive approach aimed at bringing services closer to people’s living environments, enhancing the coordination of interventions and reducing barriers associated with stigma.

Over the past year, the median wait time for adults to receive therapy one session at a time has been reduced from 9 to 7 days.

Over the coming months, the Network will accelerate the integration of mental health and addiction services into local family health teams, namely by implementing delegation processes to mental health service providers.

▲ **New medical and home-based addiction care service**

The Network implemented a new medical and addiction care service, which includes in-home alcohol withdrawal management, in the Acadie-Bathurst and Northwest Zones. This program enables people who meet certain clinical criteria to receive medical and psychological support directly in their community, through a combination of face-to-face visits and remote follow-up care. We are now able to reach a greater number of individuals, reduce barriers to accessing care, and prevent certain hospital admissions.

▲ **Car 67**



The Car 67 pilot project was launched in Greater Moncton to provide a community response to people in distress or facing complex situations. The team, consisting of a social worker and a Codiac RCMP officer, serves Moncton, Dieppe and Riverview, working with individuals experiencing social, psychological or mental health crises. Led jointly by Vitalité Health Network, Horizon Health Network and the Codiac RCMP, this model aims to provide rapid, human support, facilitate access to appropriate services, reduce the escalation of crises and avoid unnecessary visits to the emergency department.

▲ **Mental Health and Addictions Court**

The Network is also involved in the implementation of the Mental Health and Addictions Court in Moncton. This voluntary program is inspired by diversion models and aims to refer certain individuals in the justice system to mental health, addiction services and community support adapted to their needs. Navigators will work with Crown prosecutors and accused individuals to assess their eligibility, direct them to appropriate services and support a recovery-focused pathway.

▲ **A Beacon in the Night**

A Beacon in the Night is an initiative to raise awareness of mental health through the arts, music and testimonials of recovery. Presented for the first time this year in Edmundston, the event is now produced in all four Network zones, helping break taboos and reduce stigma.

Mother, children and youth



TARGET

- Offer families a simplified, coordinated care journey tailored to their needs.
- Promote the health and development of infants, children and youth through early, targeted and appropriate preventive interventions.

Faced with the changing needs of families, Vitalité Health Network has focused over the past year on improving the patient experience by strengthening access to reliable information, early guidance and practical tools to support future parents and new families. These efforts aim to better support them throughout their journey, from pregnancy through the child's first years of life, namely through the development of perinatal education resources and digital tools tailored to their needs.

▲ A digital support tool for mothers' health

The Network now offers pregnant women access to SeamlessMD, a digital platform that supports them during pregnancy and after childbirth. Accessible via phone, tablet or computer, the tool offers reliable information, practical advice, appointment reminders and symptom tracking. When a problem is detected, an alert can be sent to the care teams for rapid intervention. This initiative helps to better inform patients, support their recovery at home and improve clinical follow-up in perinatal care.

▲ A new resource platform for parents and families

The Network has also launched a new Web section dedicated to parents and families. This resource gathers, in one place, reliable information on pregnancy, childbirth, postnatal care, breastfeeding, parenting, infant development, and available resources across different regions. Designed with health care professionals across the Network, it aims to address families' frequently asked questions and facilitate access to services, from pregnancy to the child's first years of life.



Internal Medicine



TARGET

- Ensure timely access.
- Strengthen patients' autonomy in managing their disease.
- Optimize innovation, including telemedicine.

In hospital medicine, a number of advances have brought specialized expertise closer to patients and communities. These initiatives help us better meet patient needs, improve access to specialist consultations, and accelerate treatment across regions.

▲ Improved access to Pediatric Neurology in the Northwest

A new pediatric neurology consultation service has been added to the Edmundston Regional Hospital. Thanks to this service, provided by pediatric neurologist Dr. Michel Sylvain, children in the area can obtain specialized assessment and certain neurological tests closer to home. Until recently, many families had to travel to Moncton or Quebec to access this type of expertise.

▲ Local rheumatology care

The Network has deployed new local rheumatology clinics to reduce barriers to access to specialized care. Members of the Pabineau First Nation, Oinpegitjoig, now have access to rheumatology consultations directly in their community, as part of a project expanded by Dr. Jean-Philip Deslauriers after an initial set-up in Ugpi'ganjig, Eel River Bar. Once a month, the doctor and a nursing team come on site to offer consultations without appointment or medical referral.

This model has also been extended to Tracadie, Lamèque and Dalhousie, where new monthly clinics provide faster care for patients with autoimmune and autoinflammatory rheumatological diseases. This approach aims to initiate treatment earlier, prevent disease progression and provide specialized care closer to the patient's home environment.



Kidney health



TARGET

- Home and community care are becoming the preferred mode of delivery, contributing to a measurable reduction in hospitalizations and bed pressures.
- Management of early-stage kidney disease is carried out by fully equipped primary health care teams.

The Network is focusing on the development of home-based treatments and more active patient participation in their care plans. Efforts have been made to improve renal protection education and help patients make informed choices regarding more self-managed treatment modalities.

These initiatives are already yielding favourable results. The percentage of patients receiving home-based treatment rose from 12.9% in March 2023 to 14% in March 2026. The next goal is to have 18% of patients in self-managed treatment, while maintaining support at every stage of the care journey.

This is particularly important in the Beauséjour Zone, where dialysis needs are expected to increase by 42% by 2047. By improving home-based care, patient education and early care, the Network aims to ease the burden on hospital services and provide patients care closer to home.



Public Health

TARGET

- A Public Health Department with stronger community presence, with closer ties to its partners and a greater focus on equity and community resilience.
- Communities that are better equipped to address the determinants of health.

Over the past year, Public Health has reinforced its role as a local partner for communities. Over a hundred initiatives were identified, including health equity, food security, healthy active living, mental health, substance use, communicable diseases, climate change and community mobilization.

They illustrate the transversal role of Public Health: acting earlier on the conditions that influence health, supporting living environments, strengthening community capacities and helping to reduce inequalities. The initiatives rely on strong collaboration with schools, daycare centres, municipalities, community organizations, food banks, libraries, postsecondary institutions, government partners and clinical services.

PUBLIC HEALTH Key initiatives 2025–2026

| | | |
|--|--|--|
|  1. New visual identity Raise awareness of Public Health's role. |  2. Baby-Friendly Initiative Designation as a Baby-Friendly Network in the Northwest region. |  3. Healthy Families, Healthy Babies Home visits and support for new families. |
|  4. Planet Youth Prevent early to promote the well-being of young people. |  5. Moving forward together Community clinics that better meet the needs of vulnerable populations. |  6. Roots and Wings Intergenerational connections that support resilience. |
|  7. Forest Fridays For students: learn and move outdoors. |  8. Healthy screen use Raising awareness among families and communities about healthy living. |  9. Body positivity Promoting more inclusive environments, free from stigma. |

The focus is shifting toward increased presence on the ground. Teams worked to reach people in their living environments and support partners who work directly with the public, with the goal of fostering healthier, more equitable and more resilient communities.

▲ A new visual identity for Public Health

Public Health has adopted a new visual identity to better communicate its role to the public, partners and Network teams. This renewed image reflects our commitment to protecting the health of everyone, informing the public and supporting environments in which healthy choices are easier, more accessible and better integrated into everyday life.

▲ **Baby-Friendly Initiative Designation**

Northwest Zone Public Health has earned the Baby-Friendly Initiative designation, an international recognition awarded by the Breastfeeding Committee for Canada. This is a first for the Network and demonstrates its ongoing commitment to promoting, protecting and supporting breastfeeding, in collaboration with families, clinical teams and community partners. In the Beauséjour and Acadie-Bathurst Zones, Public Health has also been selected to participate in a two-year project to obtain this designation.

▲ **Moving Forward Together community clinics**

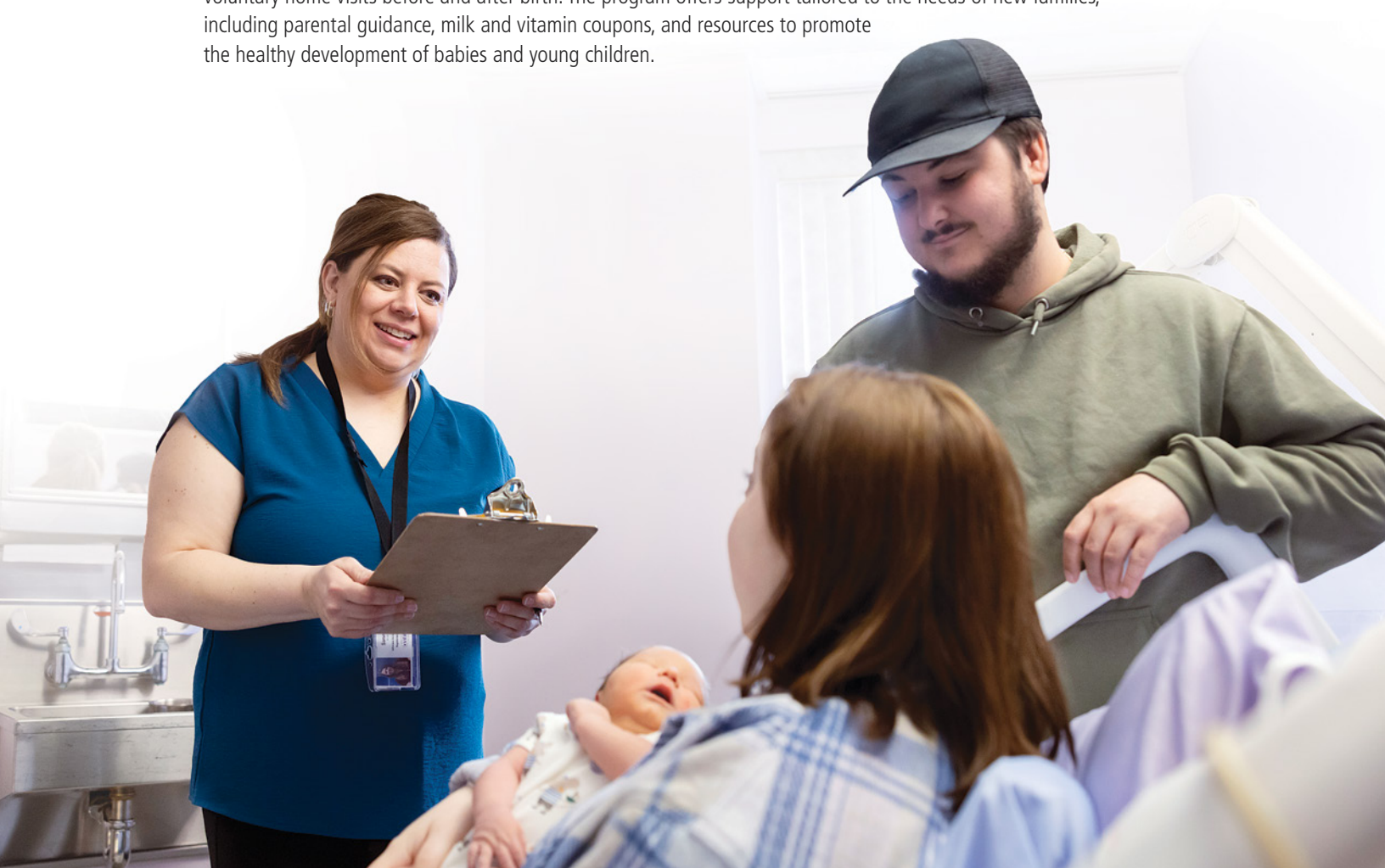
Moving Forward Together community clinics were organized with partners to improve access to services for people experiencing homelessness or extreme vulnerability. By bringing together health care services, social services and administrative support in a single location, this initiative helps reduce access barriers and better serve individuals who often face challenges navigating service systems.

▲ **Forest Fridays**

The Forest Fridays pilot project was launched in Charlo to provide grade 2 to 8 students educational activities outdoors. Thanks to the collaboration between Public Health, the St-Joseph Community Health Centre and several partners, children are encouraged to get moving, explore nature and develop their independence while reinforcing their healthy lifestyle habits.

▲ **Healthy Families, Healthy Babies**

The Healthy Families, Healthy Babies program continued to support New Brunswick mothers and families with confidential, voluntary home visits before and after birth. The program offers support tailored to the needs of new families, including parental guidance, milk and vitamin coupons, and resources to promote the healthy development of babies and young children.



▲ Roots and Wings program

The Roots and Wings program is focused on strengthening intergenerational ties to support mental health, foster a sense of belonging and enhance community cohesion. This program, launched in 2025 as part of the Résilience Sud-Est initiative, gives students and seniors opportunities to meet, particularly in nursing homes and schools in Moncton, Riverview and Petitcodiac.

▲ Raising awareness around screen use

Public Health has continued its efforts to raise awareness about healthy, mindful and safe screen use, particularly among children and youth, including in schools. Among the initiatives supported, the project “La meilleure recette c’est la conversation!” invites families to meet face-to-face at participating restaurants on the Acadian Peninsula. An awareness campaign also highlighted the shared responsibility of families, schools, daycare centres, municipalities, health care professionals and community partners in promoting healthy screen use among youth.



▲ Planet Youth

Planet Youth continues to grow in Network communities, particularly in the Chaleur region since spring 2025. Also offered on the Acadian Peninsula and Kent region, this initiative will extend to the Northwest in the spring of 2026. Inspired by the Icelandic prevention model, this approach aims to create environments that better support youth well-being by addressing family life, friendships, leisure and school.



▲ Body equity

The Body equity initiative aims to create environments where no one is judged by their weight. Vitalité Health Network Public Health is developing an inclusive approach to weight, supported by a framework and a policy to be published in 2026.

The initiative brings together several partners. Among the projects, a school guide — A Healthy Mind in a Healthy Body — has been developed to help schools address health without reinforcing weight-related prejudices. It will be available at the Carrefour pédagogique (Educational Hub) in 2026.

In short, fostering more caring environments where youth and the general public can thrive without stigma is the goal.



Recruitment and retention



TARGET

- Attract, welcome and retain the professionals needed to ensure stable and sustainable services by leveraging provincial, national and international recruitment strategies, while continuously improving the candidate onboarding and integration experience.
- Act as a responsible employer by promoting positive working relationships and ensuring a healthy, safe and respectful environment for all employees.

In the face of increasing health care needs, team stability is crucial to maintain services, support existing staff and better meet patients' needs.

Last year's results are encouraging. The Network has a voluntary turnover rate of 3.4%, indicative of good labour stability, which contributes directly to continuity of care.

Compared with March 31, 2025, The Network has 320 more employees and 48 more physicians.

International recruitment also remains a key strategy for ensuring the sustainability of our services. International employees make up more than 10% of the Network's workforce. Since 2022, more than 450 internationally trained nurses have been recruited, strengthening teams and helping meet the needs of the communities served by the Network.

In the coming months, the Network will continue to implement a recruitment plan tailored to its most critical sectors: nursing, pharmacy, medical imaging, social work, engineering, physiotherapy, occupational therapy, psychology, respiratory therapy and laboratory services.

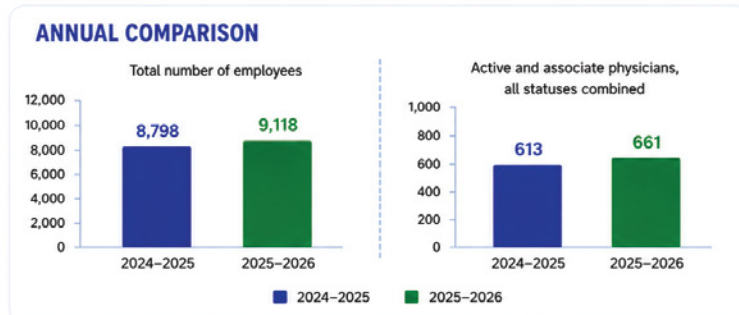
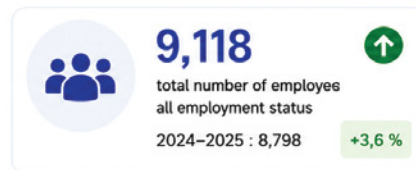
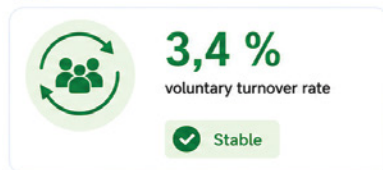


TALENT ATTRACTION AND RETENTION



Performance indicators 2025–2026

KEY RESULTS



▲ Nursing Centre of Excellence

Vitalité Health Network became the first acute care facility in Canada to take part in the Canadian Nurses Association's (CNA) Stellar Program, which recognizes excellence in nursing workplaces.

The Campbellton and Tracadie hospitals are the pilot facilities for this first phase, with a view to expanding certification to inpatient care units.

▲ Integration of internationally educated nurses

The Network has welcomed its first cohort of internationally recruited registered nurses. Through CCNB's nursing transition and readmission program, along with internships and clinical training labs offered across all four zones, internationally educated nurses receive better support integrating into Canadian nursing practice and preparing for the NCLEX exam.

▲ Partnership between Morocco and New Brunswick

The Network has signed a five-year agreement with the Fédération Marocaine de l'Enseignement Professionnel Privé to strengthen the training and recruitment of health care professionals. This partnership better aligns certain training programs with Canadian standards and offers graduates structured support for their integration into New Brunswick, including language support, information sessions and preparation for the NCLEX exam.



▲ The Network recognized for its integration efforts

Vitalité Health Network received the Employer of the Year Award for the integration of newcomers in the Chaleur region, presented at the first-ever Communauté francophone accueillante (CFA) Chaleur recognition evening. This distinction highlights the Network's commitment to providing an inclusive, welcoming and respectful workplace, where talent from here and abroad can truly thrive.

▲ Training the next generation of medical radiation technologists

In partnership with the New Brunswick Community College, the Network has launched an initiative to support the next generation of medical radiation technologists for the 2026-2028 cohort. Seven students will receive financial support — including an annual scholarship and tuition reimbursement — in exchange for a four-year commitment to work at a Network facility after graduation.

Professional services

Professional services play an essential role in patient care, whether in psychology, speech-language pathology, occupational therapy, physiotherapy, clinical nutrition or other specialized fields. Over the past year, several initiatives have enabled us to better tailor services to patients' needs.

▲ Psychological support services

In response to psychologist shortages in some areas and the increased demand, the Network has reviewed how selected psychological support services are organized. The integration of certified therapeutic counsellors makes it possible to provide structured clinical support to patients whose needs do not always require the specialized expertise of a psychologist. This helps direct patients to the right professional at the right time, while giving psychologists more time to focus more on more complex cases. The rollout of telepsychology, particularly in the chronic pain clinic and along the bariatric care journey, has improved access to specialized services and helped better allocate clinical services across the Network.

▲ Mealtime Companion Program

The Mealtime Companion Program is a collaborative initiative between Clinical Nutrition Services and Volunteer Services. It supports patients with eating difficulties in the hospital environment.

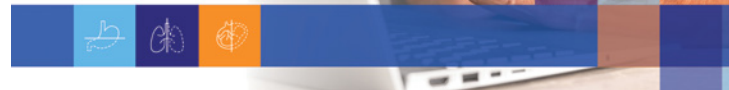
By providing presence and support at mealtimes, the program helps prevent malnutrition, improve food intake and maintain patients' nutritional status. It also provides a more compassionate and safe care experience, while potentially helping to reduce complications, length of stay and readmissions related to a compromised nutritional state.

Diagnostic imaging

The Network has launched a new online appointment booking service for general X-rays in the Northwest. Patients can now book their own appointment date and time using a simple platform accessible by computer, tablet or cell phone. First introduced at hospitals in Grand Falls, Saint-Quentin and Edmundston, this service facilitates access to X-ray examinations, enhancing the patient experience and making it easier to manage appointments. It will gradually be rolled out in other Network zones.

You can now
Book your
appointment

for general
radiography (X-rays)
in a few simple clicks.



Laboratories

At the Dr. Georges-L.-Dumont University Hospital Centre, work on the future New Brunswick Public Health Laboratory continues. This next-generation laboratory will serve as the hub for public health analyses throughout the province.

Featuring a level 3 containment area, the facility allows for the analysis of pathogens capable of causing serious illness in a highly specialized and secure environment. This infrastructure will strengthen the province's ability to detect, monitor and address infectious threats, helping to better protect the health of New Brunswickers.

▲ **Choosing Wisely**

The Network is fully committed to the national Choosing Wisely initiative, aimed at reducing unnecessary tests and treatments in Canada.

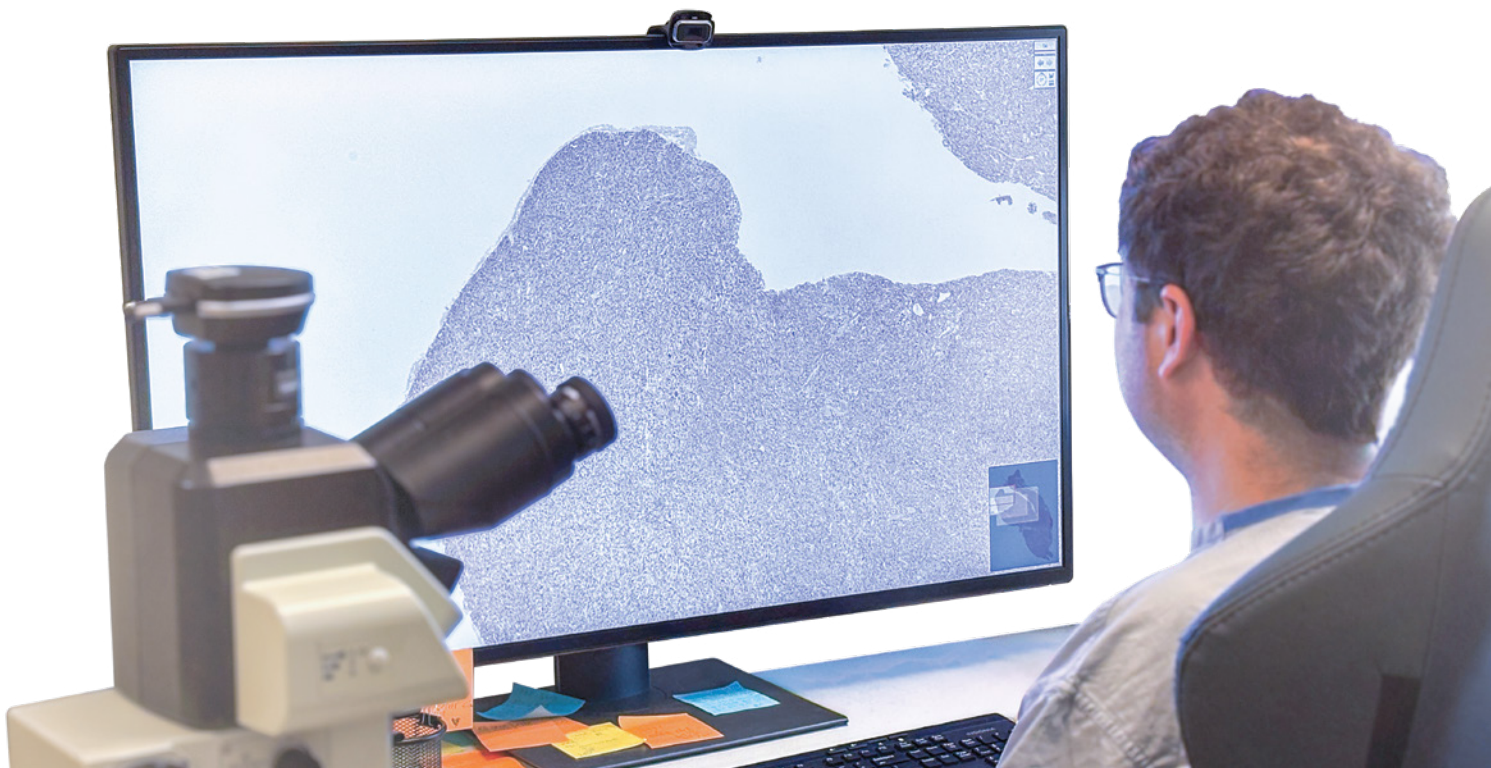
All our hospitals participate in the Using Labs Wisely initiative, with the goal of reducing low-value tests and optimizing the use of resources.

The Network was also recognized on the national stage for improving its transfusion practices as part of the Using Blood Wisely program. An initiative to reduce the number of blood tests has lowered costs, minimized waste and saved time and resources.

▲ **Digital pathology simulator: a one-of-kind project in Canada**

The Network has developed a digital pathology simulator, which is attracting a great deal of interest at home and abroad. This is a first in Canada. This Canada-wide initiative uses the Network's collection of digitized slides to train future pathologists in digital tools through case studies and simulations. The project garnered attention at the annual meeting of the International Liaison of Pathology Presidents.

The Royal College of Physicians and Surgeons of Canada will be using The Network's platform to train and assess pathology residents, reinforcing the Network's attractiveness as an employer of choice among young pathologists. The Network's digital shift also means that the organization no longer needs to rely on the services of external pathologists for its day-to-day operations.



Results of the university mission

In 2025-2026, Vitalité Health Network's university mission played a key role in advancing knowledge, improving care and services, training the next generation and supporting decision-making.

▲ Research and health evaluation

The research and health evaluation sector carried out 362 research activities, including 91 research and evaluation projects, 63 literature and best practice reviews, and 51 knowledge transfer activities. Additionally, 30 university-led research projects were carried out.

With the support of the Clinical Trials Support Unit, 25 clinicians conducted 18 therapeutic clinical trials to help provide patients with access to innovative treatments. Three new sponsored clinical trials were launched during the year: one in cardiology and two in neurology.

In 2024-2025, the Network resumed its oncology clinical research activities thanks to the arrival of new oncologists. The first major esophageal cancer study, led by Dr. Megid, has already been selected and will begin in the summer of 2026.

Our research efforts also resulted into 96 scientific articles featuring at least one Network author, as well as \$1.5 million in research grants, salary awards and clinical trial revenues. For their part, medical libraries carried out over 2,300 consultations in support of Network professionals, researchers and students.

▲ Training and partnerships

The Network continued to play an active role in training the next generation of employees. In 2025-2026, it had 71 affiliation agreements with Canadian postsecondary institutions and welcomed students from 54 programs.

Our facilities opened its doors to 2,219 students, including 853 nursing students, 386 medical students, 277 trainees in other clinical disciplines, 157 trainees in non-clinical sectors and 546 high school students through job shadowing or COOP placements.

Placements give students a hands-on experience of Network workplaces, teams and career opportunities in different regions. Positive placement experiences can influence their decision to return here to work, thanks in part to the commitment of supervisors, preceptors and host teams who take the time to share their knowledge.

These results underscore the importance of the university mission in building a learning health care Network capable of driving innovation, supporting decision-making, training the next generation and improving care for patients and communities.

▲ Establishment of the New Brunswick Health Research Institute

A major milestone was reached with the establishment of the New Brunswick Health Research Institute, an initiative launched by the Université de Moncton and Vitalité Health Network. Emerging from the Atlantic Cancer Research Institute, this new not-for-profit organization expands its scope beyond oncology to address broader health issues and real community needs.

The Institute will pool resources and expertise to advance research and accelerate the development of health care innovations. Its focus areas include cancer prevention and treatment, aging and seniors' health, mental health and neuroscience, health promotion, chronic disease prevention and improving the health care system performance.



Activity volume

| | Total for the Network | |
|---|-----------------------|----------------|
| | 2025-2026 | 2024-2025 |
| Beds | 961 | 961 |
| Beds - Veterans | 40 | 40 |
| Beds - Restigouche Hospital Centre | 140 | 140 |
| Admissions (excluding newborns) | 24,052 | 24,550 |
| - Veterans | 21 | 21 |
| - Restigouche Hospital Centre | 262 | 286 |
| TOTAL | 24,335 | 24,857 |
| Newborns | 1,629 | 1,652 |
| Patient days (excluding newborns) | 302,569 | 305,665 |
| - Veterans | 14,115 | 13,815 |
| - Restigouche Hospital Centre | 31,198 | 31,006 |
| TOTAL | 347,882 | 350,486 |
| Emergency Department visits (triage codes 1 to 5) | 181,337 | 190,972 |
| Ambulatory Care visits | 247,963 | 324,161 |
| Surgical cases | 15,972 | 16,896 |
| Dialysis treatments | 63,695 | 62,897 |
| Oncology Clinic treatments (chemo) (excluding bedside treatments) | 12,074 | 11,386 |
| Visits - Radiation Therapy | 20,017 | 20,932 |
| Laboratory procedures | 11,396,773 | 11,022,934 |
| Medical Imaging procedures | 395,601 | 402,221 |
| Respiratory Therapy visits and Pulmonary Disease Clinics | 56,095 | 54,221 |

| | | Total for the Network | | |
|---|---|-----------------------|----------------|-----|
| | | 2025-2026 | 2024-2025 | |
| Treatment days - Rehabilitation services (Visits) | Audiology | 9,665 | 9,179 | |
| | Occupational Therapy | 38,591 | 33,093 | |
| | Physiotherapy | 119,214 | 110,271 | |
| | Speech-Language Pathology | 14,060 | 12,915 | |
| | Recreation Therapy | 58,190 | 42,604 | |
| TOTAL | | 239,720 | 208,062 | |
| Treatment days - Therapeutic services (Visits) | Social Work | 19,144 | 15,057 | |
| | Psychology | 7,114 | 6,491 | |
| | Clinical Nutrition | 45,031 | 43,199 | |
| TOTAL | | 71,289 | 64,747 | |
| Community Health | Visits | 54,089 | 40,691 | |
| Public Health | Immunization: percentage of children vaccinated in schools | Tdap | 74% | 80% |
| | | HPV | 75% | 86% |
| | | Varicella | N/A | N/A |
| | | Meningococcal | 63% | 69% |
| | Healthy Families, Healthy Babies | prenatal | 74 | 70 |
| | | postnatal | 393 | 388 |
| | Number of cases admitted | | | |
| Number of Healthy Toddler Assessments | | 2,008 | 1,949 | |
| COVID-19 immunization | | N/A | N/A | |
| Community Mental Health | New requests for services | 10,727 | 10,450 | |
| Addiction Services | New admissions | 1,054 | 918 | |
| Health Centres | Visits | 69,828 | 79,121 | |

Annual salaries paid to the Leadership Team

President and CEO

\$401,532

Senior VP of Medical Affairs

\$357,734

Assistant CEO - Strategic Execution

Senior VP, Client Programs and Professional Services

\$273,972

VPs

- Learning Health System
- Communications and Engagement
- Corporate Services

\$210,673 – \$221,416

Senior VPs

- Clinical Logistics
- Transversal Services
- Corporate Director of Nursing

\$176,748 – \$200,850



Financial Summary

2025-2026

For the fiscal year ending March 31, 2026, the Network reported total revenue of \$1,118,793,853 and operating expenses of \$1,198,205,688, resulting in an operating deficit of \$79,411,835. These cost overruns were offset by additional funding from the Department of Health (the Department), to achieve a balanced operating result before other financial items. Taking into account other financial items—namely adjustments for year-end settlements from previous years, capital funding for equipment purchases, amortization of capital assets and the accrued sick leave benefit—the Network’s financial statements showed an annual accounting surplus of \$142,905,390.

In 2025-2026, the Network continued to align its operations with its three major strategic priorities: improving access to primary health care, optimizing patient flow and hospital performance and supporting managers in their leadership roles. In pursuing its strategic objectives, management decision making related to human and material resources continues to yield positive operational results.

Revenue for the 2025-2026 fiscal year showed a net increase of \$41.0 million compared with 2024-2025. This increase was attributable to additional funding of \$49.7 million provided under the Department’s budget plan to offset cost increases resulting from salary increases, inflation and certain new initiatives approved by the Department valued at \$26.5 million. Changes to medical staff compensation and increased patient visits within the community-based integrated services network had a cost impact of \$15.5 million.

In addition, the Department granted recruitment and retention incentives for nurses and finalized retroactive payments under the collective agreements totaling \$7.7 million. Other revenues showed a net decrease of \$8.7 million, attributable to an \$11.1 million decline in recoveries related to renovation and equipment expenses, partially offset by a \$2.4 million increase in funding for veterans’ care, cafeteria revenue and foundation contributions.

Total expenses showed a net increase of \$5.5 million compared with 2024–2025. Operating expenses grew in line with revenue, reaching \$39.2 million, or 3.5% compared with last year, and only covered annual increases in salaries and inflation. Meanwhile, the Network continues to face recruitment challenges across several professional service sectors. Using alternative sources of temporary staffing, such as clinical staffing agencies, proved necessary in 2025–2026. In 2025–2026, total additional operating costs related to agency staff amounted to \$44.8 million, a decrease of \$33.6 million compared with the previous year. The portion attributable to direct patient care amounted to \$39.4 million, while \$5.4 million was required to support in-house training and supervision, with additional resources to address the skills gap, as the Université de Moncton was not ready and the Collège communautaire du Nouveau-Brunswick offered incomplete training.

Independent Auditor's Report

**Vitalité Health Network
(Regional Health Authority A)
Financial Statements
March 31, 2026**



Raymond Chabot
Grant Thornton

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Contents

| | Page |
|-----------------------------------|-------------|
| Independent auditor's report | 1-3 |
| Financial Statements | |
| Financial position | 4 |
| Operations | 5 |
| Accumulated surplus | 6 |
| Changes in net financial debt | 7 |
| Cash flows | 8 |
| Notes to the financial statements | 9 - 21 |

Raymond Chabot
Grant Thornton

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Independent auditor's report

Raymond Chabot
Grant Thornton L.L.P.
507 Victoria Street
Edmundston (New-Brunswick)
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T 506 739-1144

To the Directors of Vitality Health Network
(Regional Health Authority A)
To the Minister of Health
Province of New Brunswick

Qualified opinion

We have audited the consolidated financial statements of Vitality Health Network (hereafter “the Network”) included in the audited section of the annual financial report, which comprise the statement of financial position as at March 31, 2026, and the statement of operations, accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the “Basis for qualified opinion” section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Network as at March 31, 2026, and the results of its operations, revaluation gains and losses and changes in net debt, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for qualified opinion

The Network recognized a liability for asset retirement obligations in the statement of financial position as at March 31, 2026 and 2025. We were unable to obtain sufficient appropriate audit evidence about the amounts recognized and the disclosures made in respect of asset retirement obligations. Therefore, we were unable to determine whether adjustments might be necessary to the amounts recognized as a liability for asset retirement obligations as at March 31, 2026 and 2025, and to the accumulated surplus as at April 1, 2025 and 2024 and March 31, 2026 and 2025. This situation has led us to express a qualified opinion on the financial statements for the year ended March 31, 2026, as we did for the financial statements for the year ended March 31, 2025, due to the possible effects of this limitation in the scope of our audit.

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 the Network in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 qualified 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, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Network's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Network or to cease operations, or has no realistic alternative to do so.

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

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

Chartered Professional Accountants

Edmundston



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Vitalité Health Network
Financial Position

| | March 31, 2026 | March 31, 2025 |
|--|-----------------------|-----------------------|
| Financial assets | | |
| Cash | \$ 13,988,065 | \$ 24,589,577 |
| Cash - patients trust funds | 105,736 | 45,123 |
| Accounts receivable (Note 3) | 151,796,875 | 162,726,000 |
| Estimated year end adjustment from the Province (Note 4) | 3,951,593 | 3,874,922 |
| Temporary investments (Note 5) | 4,657,214 | 8,396,091 |
| | 174,499,483 | 199,631,713 |
| Liabilities | | |
| Patients trust funds | 105,736 | 45,123 |
| Accounts payable and accrued liabilities (Note 6) | 136,764,605 | 168,373,202 |
| Deferred revenues (Note 7) | 2,857,479 | 3,869,770 |
| Deferred capital revenues (Note 9) | 30,515,232 | 164,544,466 |
| Accrued employee benefits (Note 8) | 111,367,652 | 101,235,998 |
| Capital lease obligation (Note 12) | 68,884,893 | 71,178,051 |
| Asset retirement obligation (Note 24) | 24,002,936 | 24,229,406 |
| | 374,498,533 | 533,476,016 |
| Net financial debt | (199,999,050) | (333,844,303) |
| Non-financial assets | | |
| Tangible capital assets (Note 10) | 602,001,640 | 593,571,389 |
| Prepaid expenses and supplies (Note 11) | 17,908,301 | 17,278,415 |
| | 619,909,941 | 610,849,804 |
| Accumulated surplus | \$ 419,910,891 | \$ 277,005,501 |

Contingencies (Note 14)
Commitments (Note 15)

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Vitalité Health Network
Operations

| For the year ended | Budget | March 31, 2026 | March 31, 2025 |
|---|------------------------|-----------------------|------------------------|
| Revenues | | | |
| Department of Health | \$ 968,812,016 | \$ 1,048,187,884 | \$ 998,504,991 |
| Federal Programs | 6,533,092 | 8,821,253 | 7,580,450 |
| Patients recoveries | 33,084,374 | 29,125,679 | 29,169,626 |
| Recoveries and sales | 7,099,629 | 32,659,037 | 42,563,988 |
| | 1,015,529,111 | 1,118,793,853 | 1,077,819,055 |
| Expenses (Note 18) | | | |
| Nursing inpatient services | 218,656,529 | 312,128,519 | 323,316,911 |
| Ambulatory care services | 118,325,729 | 158,188,946 | 163,219,228 |
| Diagnostic and therapeutic services | 238,614,258 | 254,926,659 | 240,292,258 |
| Community services | 89,011,683 | 99,181,060 | 89,194,491 |
| Education and Research | 17,921,332 | 19,504,366 | 18,563,682 |
| Medicare | 100,771,319 | 113,009,085 | 99,617,817 |
| Support services | 194,363,391 | 202,620,308 | 204,163,822 |
| Administrative services | 36,671,929 | 35,972,080 | 52,377,623 |
| Auxiliary services | 1,192,941 | 2,674,665 | 1,950,044 |
| | 1,015,529,111 | 1,198,205,688 | 1,192,695,876 |
| Annual operations deficit | | (79,411,835) | (114,876,821) |
| Financing of the deficit relating to the Ministry of Health operations (Note 23) | | 79,411,835 | 114,876,821 |
| Annual operating deficit before adjustments below | - | - | - |
| Adjustment of prior year end settlements | - | (186,870) | (9,778) |
| Capital revenues | 15,210,640 | 178,182,726 | 9,112,579 |
| Amortization of tangible capital assets | (36,000,000) | (33,759,266) | (35,175,076) |
| Provision for sick pay obligation | (800,000) | (1,331,200) | (913,700) |
| Annual surplus (deficit) | \$ (21,589,360) | \$ 142,905,390 | \$ (26,985,975) |

See accompanying notes to the financial statements.

Vitalité Health Network
Accumulated surplus

| For the year ended | March 31, 2026 | March 31, 2025 |
|---|-----------------------|-----------------------|
| Accumulated surplus, beginning of year | \$ 277,005,501 | \$ 303,991,476 |
| Annual surplus (deficit) | 142,905,390 | (26,985,975) |
| Accumulated surplus, end of year | \$ 419,910,891 | \$ 277,005,501 |

 Raymond Chabot
Grant Thornton

See accompanying notes to the financial statements.

Vitalité Health Network
Changes in Net Financial Debt

| For the year ended | March 31, 2026 | March 31, 2025 |
|--|-------------------------|-------------------------|
| Annual surplus (deficit) | \$ 142,905,390 | \$ (26,985,975) |
| Acquisition of tangible capital assets | (42,189,517) | (19,198,463) |
| Amortization of tangible capital assets | 33,759,266 | 35,175,076 |
| | (8,430,251) | 15,976,613 |
| Increase in prepaid expenses and supplies | (629,886) | (3,932,020) |
| Net financial debt decrease (increase) | 133,845,253 | (14,941,382) |
| Net financial debt at beginning of year | (333,844,303) | (318,902,921) |
| Net financial debt at end of year | \$ (199,999,050) | \$ (333,844,303) |

See accompanying notes to the financial statements.

Vitalité Health Network
Cash Flows

| For the year ended | March 31, 2026 | March 31, 2025 |
|--|-----------------------|-----------------------|
| OPERATIONS | | |
| Annual surplus (deficit) | \$ 142,905,390 | \$ (26,985,975) |
| Non-cash items | | |
| Deferred capital revenues transferred to revenues | (158,379,867) | (2,355,887) |
| Amortization of tangible capital assets | 33,759,266 | 35,175,076 |
| Change in working capital items (Note 13) | (15,203,913) | 24,692,895 |
| | 3,080,876 | 30,526,109 |
| Capital investment | | |
| Deferred capital revenues received during the year | 24,350,633 | 14,299,634 |
| Tangible capital assets additions | (39,252,270) | (19,198,463) |
| | (14,901,637) | (4,898,829) |
| Investing | | |
| Decrease (increase) in temporary investments | \$ 3,738,877 | \$ (392,338) |
| Financing | | |
| Repayment of capital lease obligation | \$ (2,293,158) | \$ (2,169,308) |
| Asset retirement obligation | \$ (226,470) | \$ (64,595) |
| | \$ (2,519,628) | \$ (2,233,903) |
| Net (decrease) increase in cash | (10 601 512) | 23 001 039 |
| Cash , beginning of year | 24,589,577 | 1,588,538 |
| Cash, end of year | \$ 13,988,065 | \$ 24,589,577 |

See accompanying notes to the financial statements.

1 - STATUTES AND NATURE OF OPERATIONS

The Regional Health Authority A, was incorporated under the laws of the Province of New Brunswick on September 1, 2008. It operates as Vitalité Health Network (the "Network"). The Network included the previous Regional Health Authorities as follows: Regional Health Authority 1 (Beauséjour), Regional Health Authority 4, Regional Health Authority 5 and Regional Health Authority 6.

The principal activity of the Network is providing for the delivery and administering of health services to the people of New Brunswick. Through a network of hospitals, health centers and specialty centers the Network provides programs and services ranging from primary care to specialized and tertiary services. Community based services, such as Addiction Services, Community Mental Health and Public Health are located in several communities.

The Vitalité Health Network is funded primarily by the Province of New Brunswick in accordance with budget arrangements established by the Department of Health.

2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Accounting estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions that the organization may undertake in the future. Areas of significant estimate include allowance for doubtful accounts, the estimated year end adjustment, the sick pay accrual, the tangible asset retirement obligation and the estimated useful lives of the tangible capital assets. Actual results may differ from these estimates.

Revenue recognition

Revenues are recognized on the accrual basis and measurable as they are earned. Revenue received prior to being earned is recorded as deferred revenue until such time as the revenue is earned.

Subsidies from the government of New Brunswick or any other government, or from organizations included in their accounting scope, received or receivable, are recognized as revenue in the fiscal year during which the transferor duly authorized them and when the beneficiary Network has met all eligibility criteria, if any.

In the presence of precise stipulations imposed by the transferor regarding the use of resources or the actions that the beneficiary Network must take to preserve them, or in the presence of general stipulations and actions or communications from the Network, government subsidies are first recognized as deferred revenue, then passed to earnings as stipulations are met.

Amounts without allocation determined by the donor or under the express condition of providing the establishment with capital to be preserved for an indefinite period are recognized as income for the financial year of the donation.

The sums received for the constitution of an endowment of a fixed duration or encumbered by an external allocation are first recorded as deferred revenue, then recognized as revenue in the financial year during which they are used for the prescribed purposes in the agreement. When the sums received exceed the costs of carrying out the project or activity, according to the purposes prescribed in the agreement, this excess must be recorded as income in the fiscal year during which the project or activity is completed, unless the agreement provides for the use of the balance, where applicable, for other purposes. Likewise, if a new written agreement is concluded between the parties, it is possible to recognize deferred revenue, if this agreement provides for the purposes for which the balance must be used.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Donations of capital assets or donations of cash to purchase them are recognized as revenue in the fiscal year in which they occur.

Patient revenues includes amounts payable according to the rates established by the Ministry of Health. These revenues are recognized at the time of provision of services and are reduced by deductions, exemptions and exemptions granted to some of them.

Recoveries and sales represent revenue earned other than revenue from providing services to patients and are recognized in revenue as services are rendered.

Capital revenues are the revenues received from the Ministry of Health for assets added during the current year and is recognized in the same financial year as the asset is added.

Expenses recognition

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services and obligation to pay.

Cash and cash equivalents

The Network's policy is to present cash (bank overdraft) and investments having a term of three months or less with cash and cash equivalents.

Tangible capital assets

Tangible capital assets are physical assets used to provide Network services and Network administration, and will be used on a regular basis for a period greater than one year and are not surplus properties held for resale or disposal.

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset, and are amortized on a straight-line basis over their estimated useful lives. Amortization begins in the year after the asset has been put to use. Assets under construction are not amortized until they are put into use. Descriptions and useful lives are as follows:

| | <u>Rates</u> |
|---|--------------|
| Land: all land owned by the Network, including land under buildings. | <i>n/a</i> |
| Land improvements: includes major landscaping projects, parking lots, and similar assets. | 5 - 20% |
| Buildings: all Network owned or lease capital buildings, as single assets or broken into components: structural, interior, exterior, mechanical, electrical, specialty items and equipment, and site works. | 2 - 10% |
| Equipment: includes information technology assets, medical equipment, motorized fleet equipment. | 4 - 50% |
| Vehicles: all Network vehicles including cars, trucks and similar assets. | 6 - 20% |
| Leasehold improvements: includes major improvements to leased buildings. | 5 - 10% |

Tangible capital assets are depreciated when conditions indicate that they no longer contribute to the Network's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net depreciations are accounted for as expenses in the statement of operations.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid expenses and inventory

Prepaid expenses and supplies consist of consumables including drugs, food, fuel, medical, surgical and general supplies, and prepayment of service contracts which are charges to expense over the period of expected benefit or usage.

Inventory is valued at the lower of average cost and net realizable value with cost determined on the average cost basis. Net realizable value is determined to be replacement cost.

Asset retirement obligations

Asset retirement obligations are accounted for once all the following conditions are met:

- There is a legal obligation requiring the entity to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event that gave rise to the liability is overcome;
- It is expected that economic benefits will be given up;
- It is possible to make a reasonable estimate of the amount involved.

The liability includes costs directly attributable to asset retirement activities, including operations, maintenance and monitoring activities after retirement.

Upon initial recognition of a liability for an asset retirement obligation, the Network recognizes a retirement cost as an increase in the cost of the tangible asset (or component) of the same amount as the liability. The retirement cost is thus recognized as an expense over the useful life of the tangible asset (or component), in accordance with the amortization method of said asset.

The liabilities are revised annually based on the best information available at the date of the financial statements. When the tangible asset in question is put to productive use, the annual variation is recorded in the results of the financial year when it results from the passing of time or as an adjustment to the cost of the tangible asset in question when this results from a revision of timing, the amount of the original estimate of undiscounted cash flows or discount rate. Any change made to the valuation of obligations related to the asset retirement obligation of a tangible capital asset no longer subject to productive use is recognized as an expense in the period in which it occurs.

Financial instruments

The financial instruments are recorded at cost at the moment of the initial recognition. Temporary investments that are listed on an active market are presented at fair value. All other financial instruments are subsequently recognized at cost or amortized cost unless management has chosen to record them at fair value.

Changes in fair value are reflected in the statement of revaluation gains and losses, where applicable.

The costs related to the acquisition of financial instruments that were previously evaluated at fair value are recognized as an expense when they are incurred. All other financial instruments are adjusted according to the transaction costs at the moment of the acquisition as well as financing fees, which are amortized on a linear method.

Once a year, all financial assets are submitted to an amortization test. If it is judged that there is a durable reduction of value, the amount is recorded in the statement of operations.

The PSAB requires public organizations to classify its evaluations at fair value according to a hierarchy of fair values according to the following three levels:

Level 1 - Prices not adjusted on active markets for similar assets or liabilities;

Level 2 - Observable entries on the market, other than those at level 1, such as similar assets and liabilities on markets that are not actives;

Vitalité Health Network
Notes to Financial Statements
March 31, 2026

Level 3 - Observables entries that are not available because there is little to no activity on markets and that are important for the evaluation of fair value.

All financial instruments evaluated at fair value are at Level 1.

3 - ACCOUNTS RECEIVABLE

| | 2026 | 2025 |
|--|-----------------------|-----------------------|
| Province of New Brunswick: | | |
| Medicare | \$ 20,189,525 | \$ 10,264,366 |
| Equipment contributions | 7,333,324 | 11,050,355 |
| Provincial plan | 87,809,132 | 106,142,230 |
| | 115,331,981 | 127,456,951 |
| Patients, less allowance for doubtful accounts | 9,003,099 | 9,942,698 |
| Harmonized sales tax | 4,633,767 | 5,319,353 |
| Other | 22,828,028 | 20,006,998 |
| | \$ 151,796,875 | \$ 162,726,000 |

The allowance for doubtful accounts included in the accounts receivable from patients is \$3,727,858 (\$2,844,446 in 2025).

4 - ESTIMATED YEAR END ADJUSTMENT FROM THE PROVINCE

| | 2026 | 2025 |
|--|--------------|--------------|
| Year-end settlement receivable for the deficit in patient revenues | \$ 3,951,593 | \$ 3,874,922 |

For 2026, the year-end settlement corresponds to the net deficit in patients recoveries of \$3,951,593. For 2025, the year-end settlement corresponds to the net deficit in patients recoveries of \$3,874,922.

5 - TEMPORARY INVESTMENTS

| | 2026 | 2025 |
|-----------------------------------|--------------|--------------|
| Fixed revenue securities | \$ 4,657,214 | \$ 6,148,491 |
| Stock exchange listed securities | \$ - | \$ 2,247,600 |
| Fixed income securities and funds | \$ 4,657,214 | \$ 8,396,091 |

6 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2026 | 2025 |
|--------------------------------|-----------------------|-----------------------|
| Accounts payable | \$ 89,961,605 | \$ 90,639,271 |
| Salaries and benefits payables | 46,803,000 | 77,733,931 |
| | \$ 136,764,605 | \$ 168,373,202 |

The amounts to be remitted to the government totals \$2,482,210 as of March 31, 2026 (\$3,639,404 as of March 31, 2025).

10 - TANGIBLE CAPITAL ASSETS

| | 2026 | | | | | | | | | | Total |
|---------------------------------|--------------|-------------------|----------------|-------------------------|------------|-----------------------|-----------------|-------------------------|------------------------|----|------------------|
| | Land | Land improvements | Buildings | Materials and equipment | Vehicles | Leasehold improvement | Work in process | Capital lease equipment | Capital lease building | | |
| Cost | | | | | | | | | | | |
| Opening balance | \$ 3,652,772 | \$ 8,659,406 | \$ 713,577,186 | \$ 238,324,525 | \$ 791,172 | \$ 5,286,068 | \$ 164,544,466 | \$ 5,583,690 | \$ 144,000,000 | \$ | \$ 1,284,419,285 |
| Additions | - | - | 9,198,572 | 8,640,312 | - | - | 24,350,633 | - | - | - | 42,189,517 |
| Transfers of work in progress | - | - | 143,243,927 | 15,135,940 | - | - | (188,379,867) | - | - | - | - |
| Write-downs/disposals | - | - | - | (6,123,412) | - | - | - | - | - | - | (6,123,412) |
| Closing balance | 3,652,772 | 8,659,406 | 866,019,685 | 255,977,365 | 791,172 | 5,286,068 | 30,515,232 | 5,583,690 | 144,000,000 | | 1,320,485,390 |
| Accumulated amortization | | | | | | | | | | | |
| Opening balance | - | 4,081,904 | 457,734,314 | 185,411,799 | 591,588 | 4,134,046 | - | 2,894,245 | 36,000,000 | | 690,847,896 |
| Amortization | - | 247,190 | 16,967,455 | 12,550,475 | 19,958 | 150,068 | - | 224,120 | 3,600,000 | | 33,759,266 |
| Write-downs/disposals | - | - | - | (6,123,412) | - | - | - | - | - | | (6,123,412) |
| Closing balance | - | 4,329,094 | 474,701,769 | 191,838,862 | 611,546 | 4,284,114 | - | 3,118,365 | 39,600,000 | | 718,483,750 |
| Net book value | \$ 3,652,772 | \$ 4,330,312 | \$ 391,317,916 | \$ 64,138,503 | \$ 179,626 | \$ 1,001,954 | \$ 30,515,232 | \$ 2,465,325 | \$ 104,400,000 | \$ | \$ 602,001,640 |

10 - TANGIBLE CAPITAL ASSETS

| | 2025 | | | | | | | | | | Total |
|---------------------------------|--------------|-------------------|----------------|-------------------------|------------|-----------------------|-----------------|-------------------------|------------------------|----|------------------|
| | Land | Land improvements | Buildings | Materials and equipment | Vehicles | Leasehold improvement | Work in process | Capital lease equipment | Capital lease building | | |
| Cost | | | | | | | | | | | |
| Opening balance | \$ 3,652,772 | \$ 8,659,406 | \$ 713,577,186 | \$ 239,367,222 | \$ 591,588 | \$ 5,286,068 | \$ 152,600,719 | \$ 5,583,690 | \$ 144,000,000 | \$ | \$ 1,273,318,651 |
| Additions | - | - | - | 4,699,245 | 199,584 | - | 14,299,634 | - | - | - | 19,198,463 |
| Transfers of work in progress | - | - | - | 2,355,887 | - | - | (2,355,887) | - | - | - | - |
| Write-downs/disposals | - | - | - | (8,097,829) | - | - | - | - | - | - | (8,097,829) |
| Closing balance | 3,652,772 | 8,659,406 | 713,577,186 | 238,324,525 | 791,172 | 5,286,068 | 164,544,466 | 5,583,690 | 144,000,000 | | 1,284,419,285 |
| Accumulated amortization | | | | | | | | | | | |
| Opening balance | - | 3,834,714 | 440,531,717 | 179,781,098 | 591,588 | 3,961,407 | - | 2,670,125 | 32,400,000 | | 663,770,649 |
| Amortization | - | 247,190 | 17,202,597 | 13,728,530 | - | 172,639 | - | 224,120 | 3,600,000 | | 35,175,076 |
| Write-downs/disposals | - | - | - | (8,097,829) | - | - | - | - | - | | (8,097,829) |
| Closing balance | - | 4,081,904 | 457,734,314 | 185,411,799 | 591,588 | 4,134,046 | - | 2,894,245 | 36,000,000 | | 690,847,896 |
| Net book value | \$ 3,652,772 | \$ 4,577,502 | \$ 255,842,872 | \$ 52,912,726 | \$ 199,584 | \$ 1,152,022 | \$ 164,544,466 | \$ 2,689,445 | \$ 108,000,000 | \$ | \$ 593,571,389 |

11 - PREPAID EXPENSES AND INVENTORY

| | 2026 | 2025 |
|---|----------------------|----------------------|
| Drugs | \$ 9,544,503 | \$ 8,889,854 |
| Food | 70,829 | 93,097 |
| Medical, surgical and supplies | 3,807,030 | 4,231,139 |
| Services contracts and prepaid expenses | 4,485,939 | 4,064,325 |
| | \$ 17,908,301 | \$ 17,278,415 |

12 - CAPITAL LEASE OBLIGATION

Minimum payments for the years to come in relation to the capital lease contract expiring July 2031 and October 2044 and balance of the capital lease obligation coming from these contracts:

| | 2026 | 2025 |
|--|----------------------|----------------------|
| 2026 | - | 6,293,704 |
| 2027 | 6,293,704 | 6,293,704 |
| 2028 | 6,293,704 | 6,293,704 |
| 2029 | 6,293,704 | 6,293,704 |
| 2030 | 6,293,704 | 6,293,704 |
| 2031 | 6,293,704 | 6,293,704 |
| 2032-2044 | 79,618,379 | 79,618,377 |
| Total minimum lease payments under the lease | 111,086,897 | 117,380,601 |
| Amount representing the interest calculated at 4.5% and 5.743% | (42,202,004) | (46,202,550) |
| Capital lease obligation balance | \$ 68,884,893 | \$ 71,178,051 |

The first capital lease obligation is a contract between the Network and Fondation de l'Hôpital Régional Chaleur Inc. for a period of 20 years. The Network has agreed to disburse minimum monthly payments of \$35,325 and an additional amount for the savings that the lease equipment generates. During 2026, the Network paid \$226,650 (\$274,711 in 2025) to the foundation for the savings generated and this amount is recorded in the expenses of maintenance and operating.

The second capital lease obligation is a contract between the Minister of Transportation and Infrastructure and the Minister of Health of New Brunswick and Rainbow1 Partner Inc. for the Restigouche Hospitality Center for a period of 30 years. The Network has agreed to disburse minimum monthly payments of \$489,150.

13 - INFORMATION INCLUDED IN CASH FLOWS

The changes in working capital items are detailed as follows:

| | 2026 | 2025 |
|--|------------------------|----------------------|
| Decrease (increase) in accounts receivable | \$ 10,929,125 | \$ (55,169,556) |
| Decrease (increase) in estimated year end adjustment from the Province | (76,671) | 63,777 |
| Increase of prepaid expenses and supplies | (629,886) | (3,932,020) |
| Increase (decrease) in accounts payable and accrued liabilities | (34,545,844) | 80,194,958 |
| Increase (decrease) in deferred revenues | (1,012,291) | 30,647 |
| Increase in accrued employees benefits | 10,131,654 | 3,505,089 |
| | \$ (15,203,913) | \$ 24,692,895 |

Transactions with no effect on cash flow are not presented in the flow and affect the following items: "Accounts payable and accrued liabilities" for an amount of \$2,937,247 and "Tangible capital assets" for an amount of (\$2,937,247).

14 - CONTINGENCIES

Contingent liabilities

Management believes that the Network has valid defenses and appropriate insurance coverages in place with respect to claims pending at the end of the year.

The Network is covered under the Health Services Liability Protection Plan which is underwritten by the Province of New Brunswick and administered by Health Care Insurance Reciprocal of Canada ("HIROC").

The Network is the subject of legal proceedings; a provision based on management's best estimates has been recorded in the financial statements in this regard.

Collective agreement

As of March 31, 2026, one collective agreement has expired. The collective agreements of the Canadian Union of Public Employees of New-Brunswick relating to the medical science professionals group has been expired since March 31, 2024. As of March 31, 2026 and 2025, a provision based on management's best estimates has been recognized in the financial statements in this respect.

15 - COMMITMENTS

The Network has lease commitments for equipment rental and purchase contracts for goods and services expiring at various dates. Minimum payments payable over the next five years are as follows:

| | | |
|------|----|------------|
| 2027 | \$ | 25,145,651 |
| 2028 | | 13,355,543 |
| 2029 | | 8,897,483 |
| 2030 | | 4,605,959 |
| 2031 | | 1,177,988 |

16 - DONATIONS FROM THE FOUNDATIONS

The Network holds a financial interest in many foundations and auxiliary services which are registered not-for-profit organizations established in various communities. They have a purpose of raising, investing and distributing funds to the Network for the enhancement of its services and facilities.

During the year, the Network received donations from the following foundations:

| | 2026 | 2025 |
|--|--------------|--------------|
| Fondation Hôpital Dr.-Georges-L.-Dumont Inc. (Moncton) | \$ 1,909,798 | \$ 1,313,732 |
| Les ami.e.s de l'Hôpital Stella-Maris-de-Kent. | - | 22,996 |
| La Fondation de l'Hôpital régional d'Edmundston Inc. | 463,183 | 190,228 |
| La Fondation des Amis de l'Hôpital Général de Grand-Sault Inc. | 155,263 | 3,500 |
| Fondation Dr. Romaric Boulay Inc. (St-Quentin) | 22,515 | 18,626 |
| Fondation des Amis de la Santé (Campbellton) | 103,336 | 113,763 |
| Fondation de l'Hôpital régional Chaleur Inc. (Bathurst) | 868,778 | 533,688 |
| Fondation de l'Hôpital de l'Enfant-Jésus Inc. 1988 (Caraquet) | 38,064 | 95,922 |
| La Fondation de l'Hôpital de Lamèque Inc. | 17,167 | 10,511 |
| Fondation Les Amis de l'Hôpital de Tracadie Inc. | 206,621 | 30,559 |
| | \$ 3,784,725 | \$ 2,333,525 |

17 - EMPLOYEE FUTURE BENEFITS

Pension plan

Network employees are members of a pension plan established by the Province of New Brunswick in accordance with the Pension Benefits Act. The province of New Brunswick is responsible for funding this plan. Effective April 1, 2014, the ministry takes responsibility for making annual employer dues payments for the majority of unionized employees. As of March 31, 2026, Vitalité's contributions amounted to \$7,302,652 (\$6,769,630 in 2025).

Vacation pay and overtime accrual

Vacation pay and overtime is accrued to year end. Related funding from the Department of Health is recorded when received.

Sick pay accrual

The cost of the obligation made for sick leave benefits is actuarially determined using the best estimates of management on wage increases, the number of sick days accumulated at retirement, and inflation and long-term discount.

Significant economic and demographic assumptions used in the actuarial valuation are:

| | |
|--------------------------------|--|
| Discount rate: | 4.58 % per annum – equal to Province's long-term borrowing rate of 15 years |
| Rate of compensation increase: | For employees with a CUPE contract, Vitalité has chosen to assume that the hourly wage rate will increase by \$1.30 per hour in 2026, \$1.60 per hour in 2027, and then at a rate of 2.5% per year thereafter. For other employees, annual wages are assumed to increase at a rate of 2.25% per year for two years, at a rate of 2.00% per year for one year, and at a rate of 2.5% per year thereafter. |
| Retirement age: | age 61 |

Based on actuarial valuation of the liability, the results at March 31, 2026 are as follows:

| | 2026 | 2025 |
|--|---------------|---------------|
| Accrued sick pay obligation, beginning of year | \$ 48,751,200 | \$ 47,837,500 |
| Current service cost | 7,075,500 | 6,522,700 |
| Interest on obligation | 2,507,700 | 2,505,600 |
| Loss experience | 792,900 | 585,600 |
| Benefit payments | (9,044,900) | (8,700,200) |
| Accrued sick pay obligation, end of year | \$ 50,082,400 | \$ 48,751,200 |

Retirement allowance accrual

The management personnel and the non-union employees, the employees of the New Brunswick Nurses Union, which includes nurse managers and nurse supervisors, the New Brunswick Union of Public and Private Employees, which includes the Specialized Health Care Professionals (SHPC) group and the Medical Science Professionals (MSP) group, all received the option to cash in their retirement allowance. The employees who don't use the option to cash in willingly can do so at the time of their retirement. For the SHPC and MSP groups, the retirement allowance stopped to cumulate in March 2019. For the management personnel and the non-union employees, the accumulation of the retirement allowance stopped on March 31, 2013. For the nurses, nurse managers and nurse supervisors, the accumulation of their retirement allowance is continuing for those who did not already cashed in their allowance, and they still have the option of cashing in whenever they desire. The employees of the Canadian Union of Public Employees did not received those options yet, and will continue to accumulate retirement allowances. Their collective agreement will only expire on June 30, 2028. The Province of New Brunswick funds these retirement benefits through separate funding from the annual operations and is responsible for the calculation of the benefits. No contingent liability has been recorded by the Network.

Vitalité Health Network
Notes to Financial Statements
March 31, 2026

18 - EXPENSES BY OBJECT

| | 2026 | 2025 |
|-------------------------------|-------------------------|-------------------------|
| Salaries | \$ 782,668,168 | \$ 763,508,809 |
| Benefits | 79,864,680 | 68,931,393 |
| Medical and surgical supplies | 49,465,457 | 49,134,138 |
| Drugs | 68,685,526 | 66,967,479 |
| Other services | 91,030,148 | 84,854,035 |
| Other supplies | 127,822,909 | 160,213,696 |
| Amortization | 33,759,266 | 35,175,102 |
| Total | \$ 1,233,296,154 | \$ 1,228,784,652 |

19 - RELATED PARTIES

Horizon Health Network (Regional Health Authority B) was created at the same time as Vitalité Health Network through an act of the legislature. Horizon Health Network resulted from the merger of the Regional Health Authorities 1, 2, 3 and 7.

The new Service New Brunswick (Service NB) was launched on October 1st, 2015 to consolidate the common government services within a single body. The new organization includes the former Service New Brunswick, the Department of Government Services, FacilicorpNB and the New Brunswick Internal Services Agency.

Following the adoption of Bill 5 "An Act Respecting Extra-Mural Services" all extramural services were transferred to EM/ANB Inc. with the exception of services offered in schools, occupational therapy and physiotherapy.

The purchase and sale of materials and services were measured at exchange amounts as agreed between the related parties. The Harmonized Sales Tax (HST) is included when applicable.

| | 2026 | 2025 |
|------------------------------|--------------|--------------|
| Transactions during the year | | |
| Services sold to: | | |
| Service NB | \$ 336,933 | \$ 313,482 |
| EM/ANB Inc. | 293,374 | 389,228 |
| Purchased services from: | | |
| Service NB | \$ 1,748,272 | \$ 1,120,523 |
| EM/ANB Inc. | 254,175 | 88,651 |
| Balances at end of year | | |
| Accounts receivable | | |
| Service NB | \$ 37,329 | \$ 37,036 |
| EM/ANB Inc. | 47,460 | 109,432 |
| Accounts payable | | |
| Service NB | \$ 313,747 | \$ 10,077 |
| EM/ANB Inc. | - | 7,709 |

20 - FINANCIAL INSTRUMENTS

Risk management policy

The Network is exposed to various risks arising from its financial instruments. Financial risk management is carried out by the Network management.

During the year, there were no changes to risk management policies, procedures and practices relating to financial instruments. The following provides a measure of risk as of the year-end date.

Financial risks

Credit risk

Credit risk arises from the possibility that a counterparty doesn't fulfill its financial obligations. A significant portion of the accounts receivables is from the province of New Brunswick. The Network considers the credit risk associated with amounts receivable from the Province to be low. To mitigate its credit risk, the entity continuously monitors the collectibility of its receivables.

The book value of the main financial assets of the Network represents the maximum exposure to credit risk.

The overdue financial assets total \$3,727,858 (\$2,844,446 at March 31, 2025), and all have a maturity of less than two years. They are presented net of a provision for bad debts of \$3,727,858 (\$2,844,446 March 31, 2025).

The variation in the provision for doubtful accounts for the year is explained as follows:

| | 2026 | 2025 |
|---|---------------------|---------------------|
| Opening balance | \$ 2,844,446 | \$ 1,436,815 |
| Impairment loss recognized in results and amounts written off | 3 413 935 | 2 625 983 |
| Provision canceled or recovered | (569 489) | (1 189 168) |
| Provision for doubtful accounts for the current year | 3 727 858 | 2 844 446 |
| Ending balance | \$ 3,727,858 | \$ 2,844,446 |

Liquidity risk

Liquidity risk is the risk that the entity can't fulfill its financial obligations on a timely basis and at a reasonable cost. The entity manages its liquidity by overseeing its financial needs to operate. The entity prepares a budget and establishes anticipated funds to make sure that there are sufficient funds to cover its obligations.

Market risk

Market risk corresponds to the risk of variations in the market values such as exchange or interest rates, which affect the revenues of this entity or changes in the value of the temporary investments or other financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow fluctuate because of variations in the interest rate on the market. The revenue debentures fixed expose a risk to the entity in regards to its future cash flows. The entity mitigates this risk by diversifying its investments.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or exchange risk), whether these variations are caused by factors specific to the instrument in question or its issuer, or by factors affecting all similar financial instruments traded on the market.

Temporary investments indirectly expose the Network to other price risk.

21 - BUDGETED FIGURES

Budget figures in these financial statements have been approved by the Board of Directors of Vitalité Health Network for the financial year in question.

22 - ECONOMIC DEPENDENCE

The Network depends on funds received from the Department of Health to continue operations, replace essential equipment and complete its capital projects.

23 - DEFICIT FINANCING BY THE MINISTRY OF HEALTH

Funding for the operating deficit by the Ministry of Health of the Province of New Brunswick for 2025-2026 amounts to \$79,411,835 (\$114,411,835 March 31, 2025). This deficit is explained by the following amounts:

- Deficit related to operating activities \$26,397,225 (Ongoing local and international recruitment initiatives for clinical staff \$8,710,112, increased volume of patient visits, medical and surgical procedures and tests, laboratories and other supplies \$8,737,159, expansion of security services in emergency and psychiatric units \$2,764,297, external professional services to ensure continuity in certain areas experiencing staff shortages, primarily in pharmacy, diagnostic imaging and radiology \$4,567,496, other operating expenses including equipment and infrastructure \$1,618,161).

- Use of travel nurses through an agency at a cost of \$44,849,689.

- Unforeseen expenses (salary retroactivity) \$8,164,921 (Impact of rate increases on nurses' and CUPE leave banks \$4,591,341 and retroactive payment in January 2026 affecting the employer's share of CPP and Employment Insurance \$3,573,580).

24 - ASSET RETIREMENT OBLIGATION

The asset retirement obligation concerns the removal of regulated materials such as asbestos, lead, mercury, polychlorinated biphenyls (PCBs), refrigerants, ozone depleting substances, removal of oil storage tanks and water supply wells. Removal of regulated materials is governed by applicable government laws regarding environmental protection.

The main information related to the associated liability is as follows:

- The asset retirement costs are amortized using the straight-line method based on the remaining useful life of the buildings.

- The liability is based on current estimated costs. In the absence of detailed information from the province, the main sources of information for preparing these estimates were an expert appraiser with connections to remediation contractors and in-depth knowledge of regulated materials remediation. It was an office exercise aimed at providing an estimate based on the available information. The total estimated expenses is \$24,002,936.

- Estimated remaining operational lifespan: 30 to 50 years.

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