Alberta Hatching Egg Producers

ANNUAL REPORT 2025

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AHEP MISSION

Working with all our partners to create a quality product for the supply chain, while fostering a sustainable industry.

AHEP VISION

Alberta's chicken industry is collaborating to grow, create shared value, and ensure chicken is consumer's preferred and trusted protein.

AHEP PRIORITIES 2025

Managing Domestic Supply

Cost of Production Update

Supply Chain Production

Risk Management

Trade Discussions

Growth Policy Consultation and Modernization

BOARD OF DIRECTORS

Kevin Tiemstra
Chair
CHEP Director

Harry Voorhorst
Vice-Chair

Dennis Wickersham
Director
CHEP Alternate

Arjan Scheele
Director

Ilja Velhuizen
Director

OFFICE STAFF

Bob Smook
General Manager

Nancy Robinson
Assistant General Manager

Adrienne Bodnarchuk
Agriculture Programs Coordinator, Admin & Finance

Dixie Dolan
Disease Risk Management Technician

CHAIR'S REPORT

Looking back at 2025, I can best characterize it as a year of promoting and managing growth. Scarcity of domestic product due to production challenges, shortages of imports due to disease outbreaks, and increasing allocation from CHEP are pushing our industry to grow and adapt.

2025 AHEP Priorities:

- Managing Domestic Supply
- Cost of Production Update
- Supply Chain Production
- Risk Management
- Trade Discussions
- Growth Policy Consultation and Modernization

Managing Domestic supply is the leading responsibility of the Board. Our primary goal is to meet the allocation allotted to us by our national agency, CHEP, and we have worked hard to cultivate cooperative working relationships to achieve this. Collaboration between ourselves and our hatchery partners allows us to direct domestic hatching egg product where it is needed in the province, when it is needed.

Weekly meetings have kept product flowing between our hatcheries in an effort to meet everyone's requirements. Shortages in eggs, both domestically and from imports, complicated this task this year, and I extend my gratitude to those working together to make this endeavour a success. Our cost of production update was completed and implemented for APO 110 on October 6, this year. A lot of hard work went toward finalizing and launching the updated model, which demonstrated an approximate increase in cost per hen of $1.90. We appreciate the stability an accurate COP brings to our farms and our ability to plan into the future.

We renewed our commitment to the PIE insurance program for 2025, which was fortunate as we were faced with a two SE claims. While the breeder industry was spared in the HPAI outbreak in fall of 2025, HPAI remains a constant threat moving forward. As CFIA debates cutting back on HPAI compensation for infected flocks, we will continue to weigh the costs versus the protection insurance provides going forward.

American politics continued to impact Canadian markets in 2025, with supply management facing renewed scrutiny with respect to tariffs and international trade. While it remains a federal issue, the Board of Directors worked with the other SM5 groups to attend meetings and lobby the provincial government to support our respective industries.

CHAIR'S REPORT

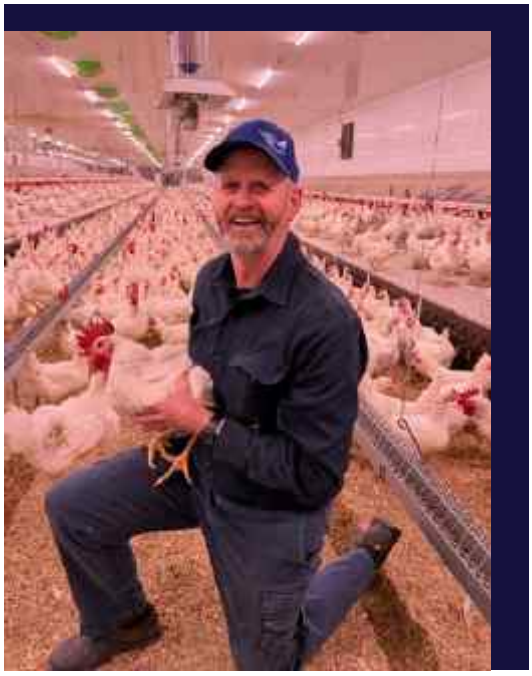
As the spotlight moves to supply management, it is critical that the updates to our growth policy are completed in a thoughtful, deliberate manner. We must grow our industry by following regulations and efficiently place the growth into the hands of those who can produce it. There are several ways to allocate growth as demonstrated by jurisdictional scans across provinces and commodities. As a Board, we explored them all, weighing them against our vision, mission, and mandate, which is to produce the allocation assigned to us by our national agency. Our year began with a producer meeting where we identified means of industry growth and asked for producer input. Producer consultation continued throughout the year, providing the board with information needed to move forward and plan for the growth our industry requires. We initiated a call for new entrants in October, and as the year closed, we implemented a temporary allocation adjustment while we finalize our adjustments to the Growth Policy for next year.

Looking into 2026, we reviewed our priorities again. Some priorities are short-term, goals with a definitive end, while others are ongoing and continue from year to year.

Our 2026 priorities were identified as follows:

· Meet allocation
· Risk Management
· Supply Chain Engagement and Assessment
· Research Assessment
· MAPA Review Obligations
· Strategic Plan 5-year Review
· Trade Lobbying

As I look back on the work we did in 2025, I realize that some of the problems we were called to solve, while complex, are very good problems to have. I feel blessed to be part of an industry where many of our challenges are due to growth, and that translates to optimism for the future. As many of you know, this has not always been the case. I wish to personally extend my gratitude to the producers of Alberta, our industry partners, the office staff and my fellow board members for your trust and support throughout 2025. I look forward to another successful year and the challenges 2026 will bring.



Kevin Tiemstra
Chair

GENERAL MANAGER'S REPORT

The recent Federal election, in Canada has translated into another victory for the Liberals, led by Mark Carney, which was not anticipated by most Canadians in early 2025. Pierre Poilievre and the Conservatives were the front runners; however, momentum slowed for his team, as confidence in dealing with Trump impacted voter confidence. Trump has been back in office for over a year, and it is clear that we are experiencing a new reality of US trade policy. The new administration has a mandated focus on protectionism, with the implementation of broad tariffs across all trading partners.

As a result of a major world power shifting tactics, trade has stalled, pausing discussions on the WTO front, the CETA, CPTPP, Mercosur agreements, shifting to more bilateral MOU's and agreements amongst countries. Trade obligations of many countries have regressed by at least two decades, where fulfilment and obligations of signed agreements have little meaning (the new World order approach?).

On a positive note, our current Canadian Prime Minister appears to have taken a much more pragmatic business approach seeking a Canadian economy to have diversity in trade, enabling resource development and inviting and encouraging industry and manufacturing development with new partners. Agriculture falls very much in line, as a renewable resource poised to meet domestic and export demand.

GENERAL MANAGER'S REPORT

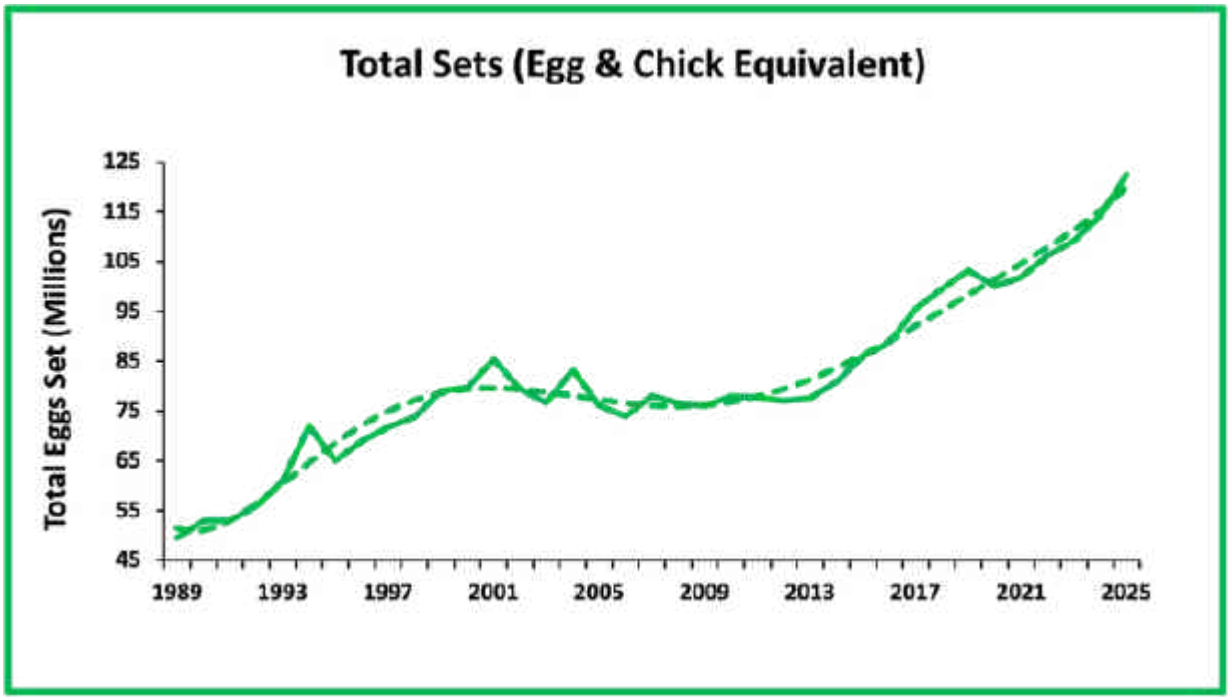
As we further look at agriculture year over year; we note the events this past year that have the greatest impact to the chicken sector. On the grains and oil seeds front, the consolidation of buyers and the lack of technical signals to establish competitive pricing is resulting in cheap feed grains, which bodes well for the feeding sector. On the competing meats side, beef cattle are experiencing a strong return to profitability (decreasing herd size) thus giving the chicken sector a clear opportunity to grow competitively on the consumer pricing front.

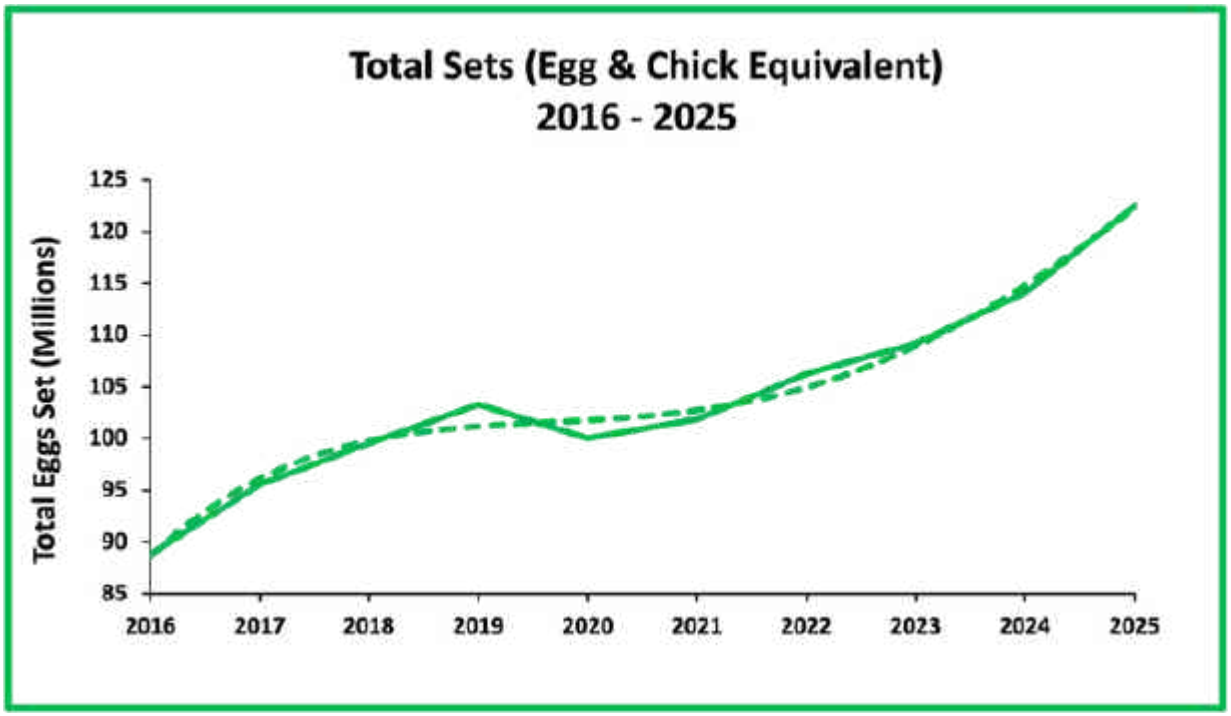
With these economic metrics, the Canadian chicken sector experienced positive signals for growth, which translated into increased national allocations flowing out to member provinces. The distribution of this growth is the responsibility given to the province through the Marketing of Agriculture Products Act with the oversight of the Agriculture Ministry/Marketing Council. In Alberta, as producers you are given the responsibility to meet our provincial allocation through the policies created by your elected representatives. In 2024-25, AHEP through consultation with its membership updated it's "Growth Policy' to ensure that Canadian chicken is always available for Canadian consumers.

The future growth for chicken looks very positive for "ensuring chicken is the consumer's preferred and trusted protein" under our supply management system. We are an industry that advocates for food sovereignty, and we must ensure that our Canadian consumers demands are met domestically and not through import substitution. In closing we must remember that our system of marketing is supported by our federal and provincial governments, however we should not be complacent in assuming that our marketing system will remain unchallenged without accountability.

Bob Smook,
General Manage

PRODUCTION DATA





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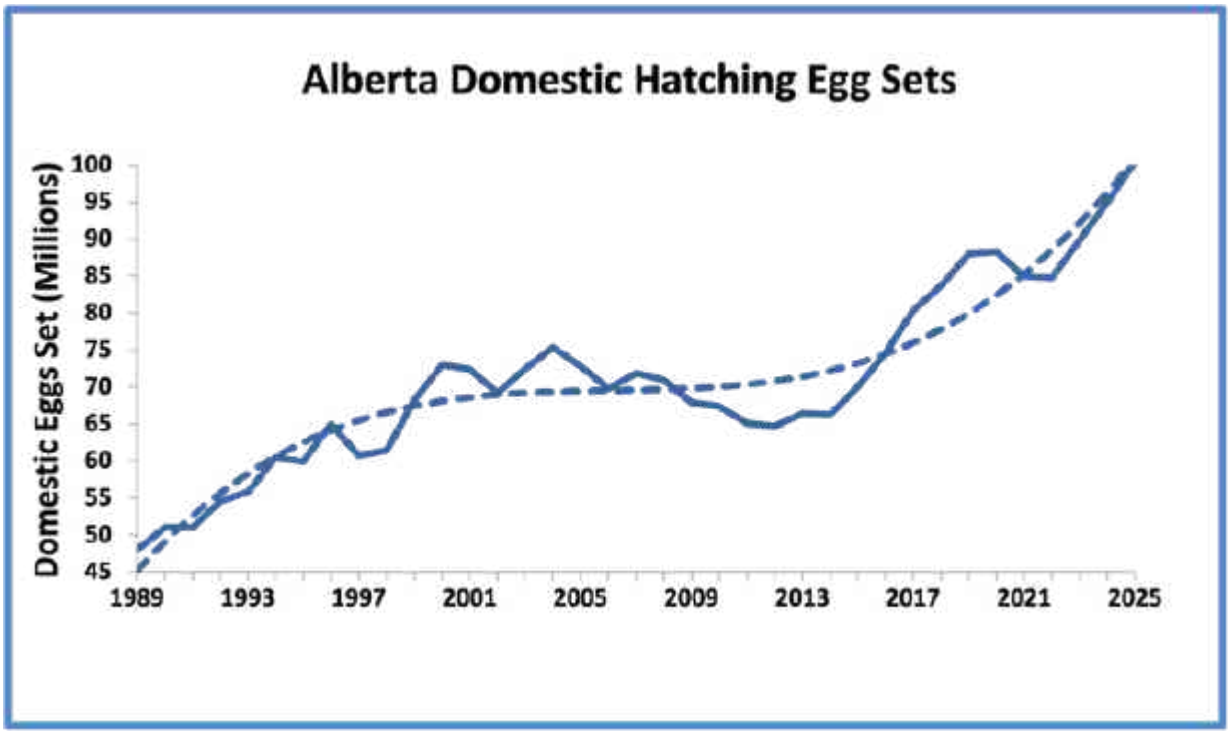

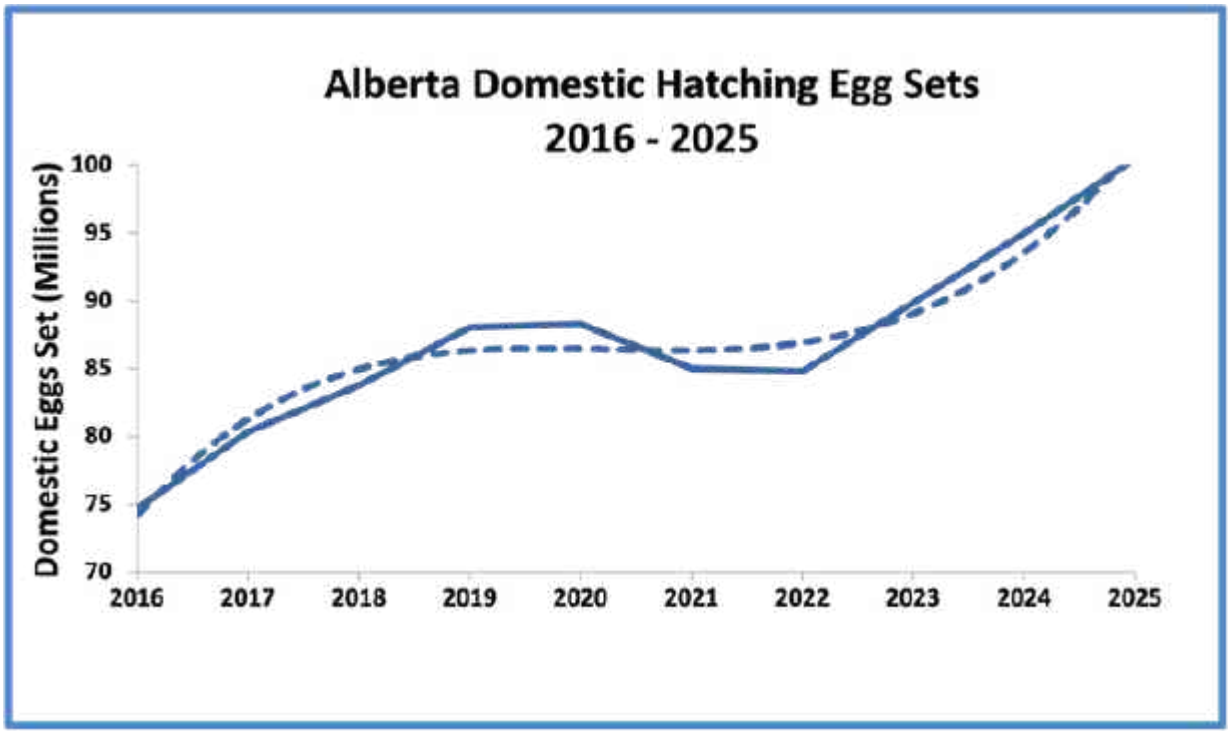

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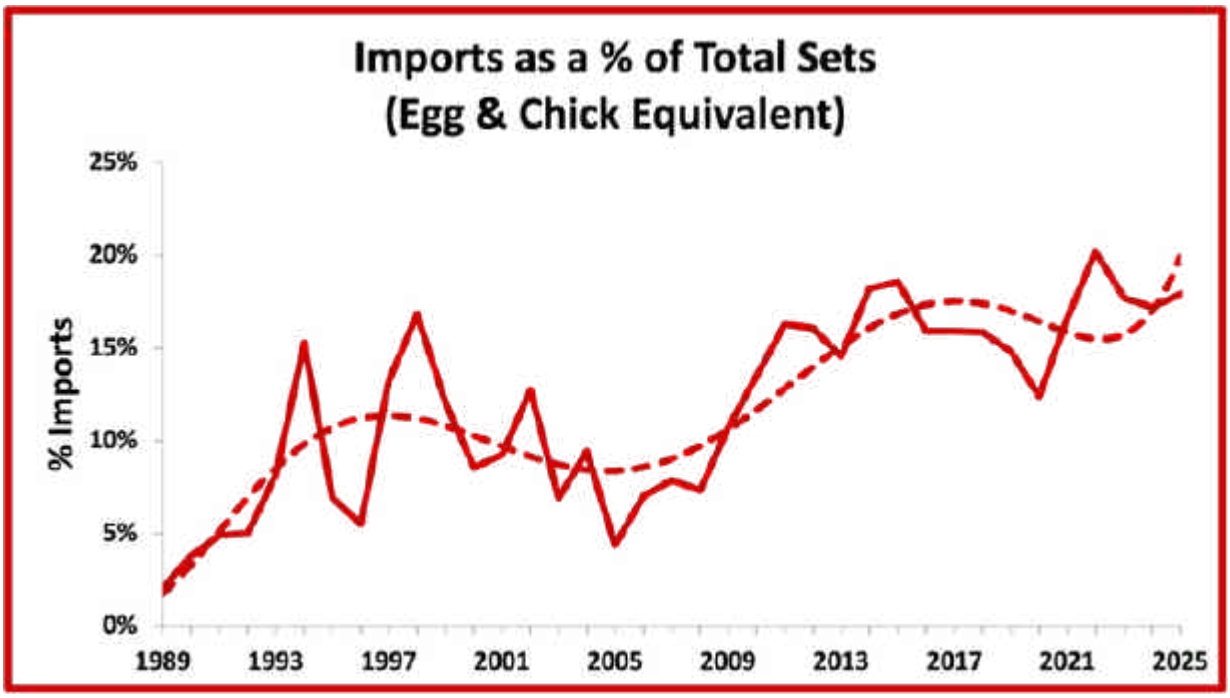
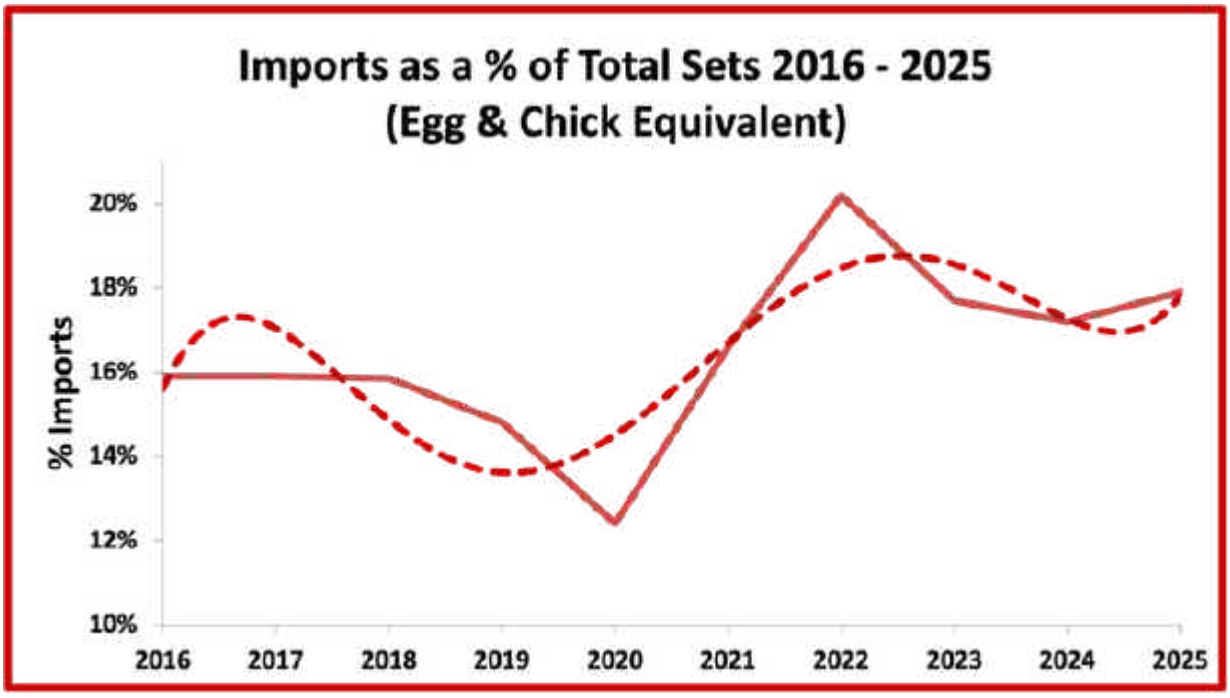




2025 PRODUCTION SUMMARY

Looking back at the year 2025, there are similarities to 2024 with fluctuations in the supply of hatching eggs. There were periods in 2025 in which the supply of hatching eggs was challenged due to poor domestic flock performance and limited availability of imports. AHEP targets supplying 82.57% of the province's total hatching egg allocation. This means that if the remaining volume to be secured through imports, to honor trade agreements, is not available, the industry can be short of its total requirements even when domestic allocation is attained. At the end of 2024, supply projections indicated that the Schedule B domestic allocation to Alberta, of 96.5M, could be achieved with flocks producing to 57-58 weeks of age, as current genetics make it more difficult to maintain fertility beyond this age. By March 2025, projected supply continued to imply that Alberta's hatching egg producers would achieve their 98.5M domestic 2025 allocation at this targeted flock life. In June 2025, future growth was anticipated in the chicken sector and declining production from breeder hens was observed. This suggested more birds would likely be required by 2026, despite the 7% increase in the number of breeders placed that was effective November 2024. The AHEP Board ordered 4% additional breeders effective June 2025.

CHEP 2025					
Schedule B Date	Mar-24	Jul-24	Nov-24	Mar-25	Jul-25
Canada MKg	1,467	1,454	1,434	1,440	1,446
Market Share	9.88%	9.91%	9.94%	9.95%	10.05%
Kg allocated	144,926,714	144,084,215	142,485,974	143,255,500	145,291,399
Meat:Egg	1.2257	1.2259	1.2186	1.2004	1.1861
Total Eggs	118,252,010	117,548,395	116,937,196	119,339,803	122,494,090
Domestic Eggs	97,640,685	97,059,710	96,555,043	98,538,876	101,153,655

2025 PRODUCTION SUMMARY

By July 2025, when the final allocation for 2025 was set by CHEP, Schedule B showed that several changes had occurred over the previous four months. First, on a very positive note, total Kg's of chicken estimated to be required in Canada throughout the year increased by 6M. Furthermore, Alberta's share of the total market also increased, resulting in a net increase of 2M Kg's allocated to the province. Combined with a drop in Meat:Egg ratio, or the #Kg of meat produced from one hatching egg, Alberta's allocation of domestic eggs increased by over 2M from March 2025 to July 2025. By that time, the number of birds scheduled to provide the 2025 supply of hatching eggs was set. There was no ability to increase supply for another 6 months, the time frame required to increase supply with more birds producing. By maintaining an extended flock life, preliminary data concludes that Alberta finished the 2025 production year achieving just shy of the domestic allocation, and short on import allocation.

The outlook for chicken requirements is positive as we look to 2026 and beyond. This translates to further growth for the hatching egg sector, and we look to current producers and new entrants to ensure Alberta meets the allocation afforded to it through the pillars of Supply Management.

SUMMARY	2022 audited	2023 audited	2024 audited	2025 preliminary	2025 over 2024
TOTAL Allocation (Schedule B)	105,692,827	111,758,672	114,136,187	122,494,090	107.3%
Domestic Allocation (Schedule B)	87,270,567	92,279,135	94,242,250	101,143,370	107.3%
Total Sets in Alberta	106,258,465	109,167,199	112,711,978	119,983,349	106.5%
Total Alberta Domestic Sets	84,789,211	89,845,956	95,000,596	100,446,603	105.7%
Total Alberta Imports Set	21,469,254	19,381,723	17,711,382	19,536,746	110.3%
Alberta Import % of Total	20.2%	17.8%	15.7%	16.3%	103.6%
Net IPM Egg Equivalent	88,327	544,170	1,837,343	2,347,105	127.7%
Net Total Sets (Alberta + IPM)	106,346,792	109,711,369	114,549,321	122,330,454	106.8%
Total Alberta + IPM Imports Set	21,557,581	19,925,893	19,548,725	21,883,851	111.9%
Net % Imports (Alberta + IPM Imports)	20.3%	18.2%	17.1%	17.9%	

BALANCE OF SUPPLY

Balancing the supply of broiler hatching eggs between the hatcheries in the province is not always simple or easy. There are many factors to consider when eggs need to be moved within the province.

Hatcheries would like to be able to plan their pickup routes to ensure they are able to do a twice weekly pick up on each farm but not have their driver time out of legal driving hours. This means a reasonable radius around each hatchery should be considered when allocating eggs to each. However, production facilities, and their associated quota, can be established throughout the province and the AHEP is not at liberty to interfere with business decisions by preventing production from certain locations.

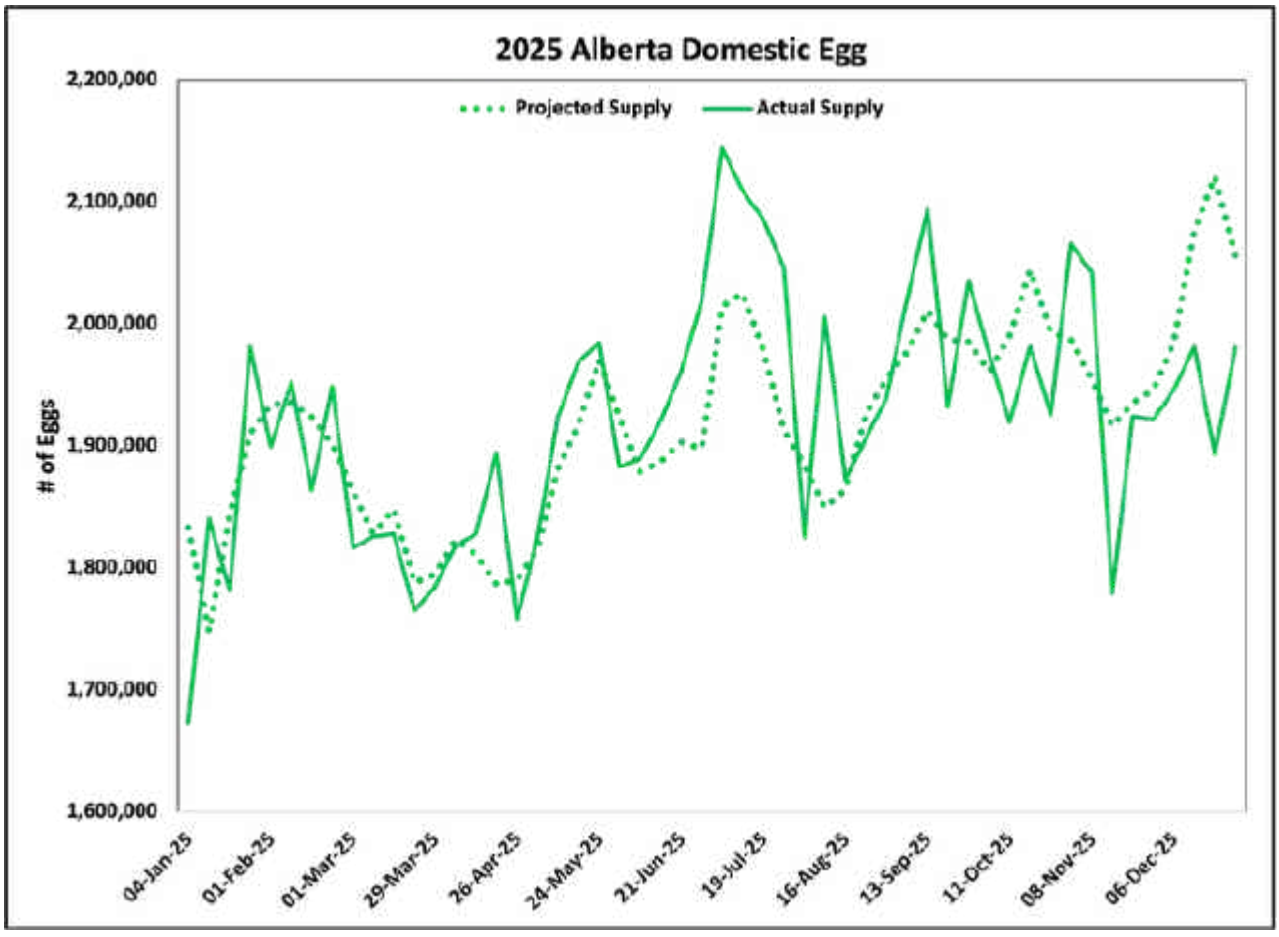
There are currently two strains of the Aviagen Ross bird in the province with each providing unique broiler characteristics. Processors will select the strain that best meets their customer demand. While both products can be utilized successfully by all processors, the volume available at any given time must meet the needs of their scheduled broiler placements. This adds to the considerations when moving eggs between hatcheries.

In previous years, market share could be achieved through the balancing of quota units held by producers. However, leases of quota between producers means this methodology no longer achieves the outcome desired.

Production potential can also be challenging with the broiler breeder of today. Birds are not as forgiving as they once were, often resulting in production and fertility declines thus influencing the broiler chicks produced from quota units. With this reality comes a factor to include when balancing eggs between hatcheries.

BALANCE OF SUPPLY

AHEP is very appreciative of the willingness of all hatcheries in the province to work together as we, as an industry, strive to provide hatching eggs that ensure all hatcheries receive their market share allocation that is sufficient to meet the demands of their broiler customers. AHEP staff and hatchery representatives continue to meet weekly to balance the projected domestic egg supply in a fair and equitable manner. This can mean added work for all involved and AHEP thanks everyone for their contribution to the goal of achieving a sustainable and growing chicken industry.



CHEP REPORT

Canadian Hatching Egg Producers | Les Producteurs d'oeufs d'incubation du Canada

Canadian Hatching Egg Producers 2025 Provincial Report

The past year highlighted the strength and reliability of Canada's broiler hatching egg sector. Across the country, producers, provincial boards, hatcheries, and industry partners worked together to ensure a steady supply of high-quality hatching eggs for chicken farmers and Canadian families.
This collective effort reflects the resilience of Canada's supply-managed system and the dedication of the people who support it every day. Through collaboration, careful planning, and a shared commitment to excellence, the sector continued to deliver for the broader poultry value chain while adapting to a complex operating environment. Highly Pathogenic Avian Influenza (HPAI)

Highly Pathogenic Avian Influenza continued to affect the poultry sector throughout 2025. Over the course of the year, 118 HPAI cases were confirmed nationally across commercial poultry, non-commercial poultry, and non-poultry settings.

Cases were reported in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and Atlantic Canada. In total, 10 broiler breeder premises were affected nationally, impacting approximately 252,000 broiler breeders, with the majority of breeder cases occurring in British Columbia and single breeder cases identified in Manitoba and Ontario. Across all poultry sectors, more than 3.2 million domestic birds were impacted during the year.

Throughout this period, CHEP worked closely with the National Poultry Group, the Canadian Food Inspection Agency, and Animal Health Canada to strengthen preparedness, coordination, and emergency response. CHEP also remained actively involved in national discussions related to the development of a Canadian HPAI vaccination strategy, with a focus on building resilience while maintaining market confidence.

At the farm level, producers continued to demonstrate leadership through disciplined biosecurity practices, strong flock management, and their expertise in raising and managing pullets. Ongoing close attention to brooding practices, flock health, and maintaining high hatchability, alongside strong coordination with hatcheries and provincial boards, will continue to support consistent supply and system stability.

CHEP REPORT

On-Farm Programs

CHEP continued to support the consistent national implementation of the Canadian Hatching Egg Quality (CHEQ™) program and the Animal Care Program (ACP). Ongoing engagement with CFIA and the Canadian Hatchery Federation focused on addressing implementation challenges associated with the Health of Animals Regulations, including testing approaches and data-sharing requirements.

Internal and third-party audit processes were further streamlined in 2025, including improvements to audit scheduling and steps to reduce unnecessary biosecurity risks associated with on-farm visits. These efforts are intended to maintain strong oversight while ensuring programs remain practical and reflective of on-farm realities.

Allocation / Liquidated Damages Assessment

This year, CHEP and provincial boards finalized a historic five-year addendum to the national allocation framework, extending the overproduction sleeve through 2030. This agreement represents one of the most significant structural adjustments to the broiler hatching egg system in recent decades.

The decision reflects sustained pressure on the sector to ensure sufficient domestic supply in an environment shaped by disease risk, import reliance, and increasing market volatility. The agreed framework provides producers with up to 10 percent flexibility above allocation for the 2025–2030 period, following a 7 percent sleeve in 2024, allowing the system to respond responsibly to demand fluctuations, supply disruptions, and unforeseen events while maintaining overall balance and discipline. Importantly, this multi-year agreement provides long-term planning certainty for producers, hatcheries, and provincial boards. This agreement demonstrates the adaptability of Canada's supply-managed system and the strength of collaboration across the sector.

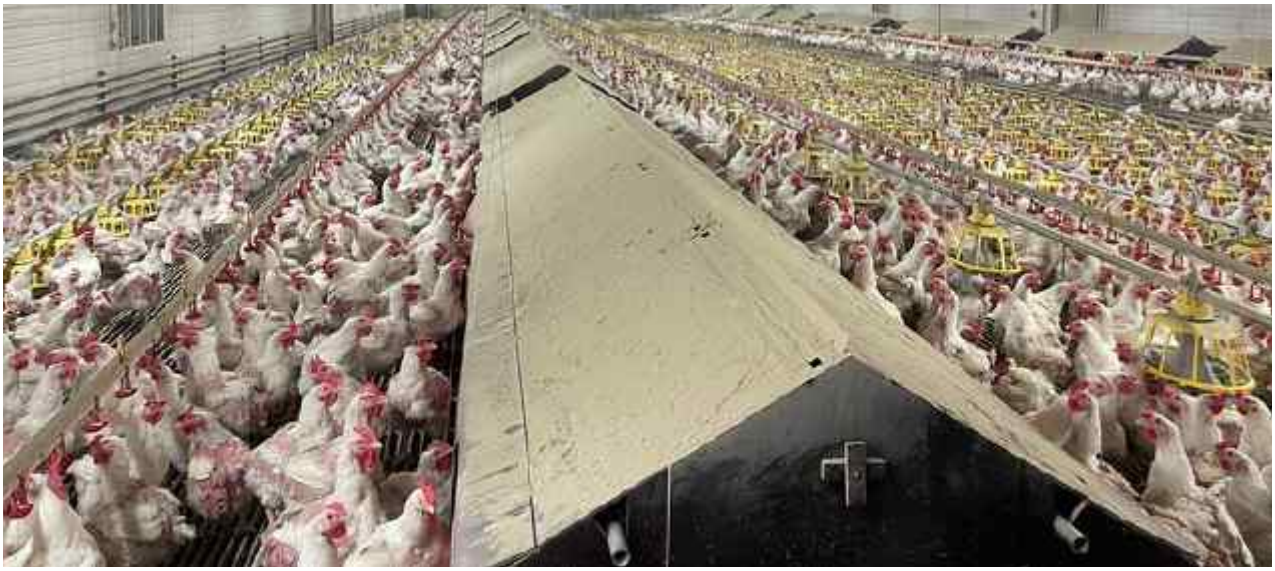
CHEP REPORT

Engagement with the FPCC and Federal Partners

CHEP maintained regular engagement with the Farm Products Council of Canada throughout 2025 on governance, regulatory oversight, and broader sector issues including HPAI impacts, amendments to the allocation framework, levy-related matters, and trade considerations, including the federal government's ongoing review of CUSMA.

CHEP also continued to work closely with federal departments and agencies to support efforts to modernize regulatory frameworks where appropriate, reduce unnecessary administrative barriers, and ensure national policies reflect the realities of a small, highly specialized producer base.

These efforts were undertaken in close alignment with supply-managed partners, including Chicken Farmers of Canada and other supply-managed commodities, reinforcing the collective strength of the system and the shared commitment to protecting Canada's domestic food production capacity.



Sector Collaboration and Appreciation

The continued strength of the broiler hatching egg sector reflects the commitment of producers, hatcheries, provincial boards, and industry partners across the country. CHEP recognizes the ongoing efforts of hatcheries working closely with provincial boards and through Canadian Hatchery Federation to manage supply challenges, permitting requirements, and day-to-day operational pressures.

CHEP also acknowledges the essential role played by veterinarians, allied trades, and genetic companies, including Aviagen and Cobb, whose collaboration has been critical in navigating zoning, supply, and disease-related challenges.

CHEP REPORT

Equally important is the work of the dedicated staff who support the system at both the national and provincial levels. CHEP staff and Provincial Board staff work closely together to support producers, assist Board members, coordinate programs and policies, and ensure the orderly and effective operation of the supply-managed system.

CHEP is grateful to the many producers who also dedicate their time through service on provincial boards, producer associations, and industry committees, and encourages continued involvement and leadership across the sector. Their professionalism, institutional knowledge, and daily commitment provide the foundation that allows producers to focus on delivering for the broader poultry sector and Canadian families.

Looking Ahead

Looking ahead, CHEP remains focused on strengthening disease preparedness, supporting high standards of production and flock management, and ensuring the allocation framework continues to support planning stability and growth.

As the organization prepares for the next phase of strategic planning, the focus will remain on practical, forward-looking solutions that build on the collaborative foundation of supply management. The broiler hatching egg sector remains a critical contributor to Canada's chicken supply, delivering an amazing product that Canadian families rely on every day. Supported by strong public and government confidence in supply management, this continues to be an exciting and rewarding time to be a Canadian hatching egg producer.

Brian Bilkes
CHEP Chair

INTENSIVE LIVESTOCK WORKING GROUP REPORT

Submitted by Melody Garner-Skiba, Executive Director

The Intensive Livestock Working Group (ILWG) is an industry coordination catalyst, representing Alberta Beef Producers, Alberta Cattle Feeders Association, Alberta Pork, Alberta Milk, Egg Farmers of Alberta, Alberta Hatching Egg Producers, Alberta Chicken Producers, and Alberta Turkey Producers. Together, we unite the livestock sector in addressing environmental, regulatory, and public trust issues that impact both our member organizations and the producers they serve.

This past year, ILWG launched Phase IV of the Public Trust Project, aimed at strengthening relationships between municipalities and confined feeding operations. This phase included hosting in-person "Stock Talks" meetings, conducting on-farm tours, and continuing our monitoring of all municipalities for changes to land use planning.

- Outreach to 28 Municipalities about Stock Talks with uptake from some prior to October2025 municipal election and others anticipated in 2026 following election.
- Attendance at RMA and AUMA to engage with municipalities and raise profile of sector.
- 17 Municipalities- provided direct engagement on feedback on MDP, IDP, and LUBs.
- 41 Municipalities monitored for Land Use Planning.

ILWG maintained strong representation with key provincial bodies, including the Alberta Water Council Board and the Clean Air Strategic Alliance Board. This work included projects such as the "Dust Management Guide" and "Vehicle Emissions Tampering". The Agri-Environmental Partnership Alliance and the NRCB Policy Advisory Group also had representation from the group where issues like Road Use Agreements were discussed as well as water.

We engaged in critical government consultations on the proposed Nature Strategy, Water Availability Engagement, regional plan reviews—including the South Saskatchewan Regional Plan—and liaised with key partners such as ADM Conrad, Team Alberta Crops, the Rural Municipalities of Alberta, Alberta Municipalities, and the Alberta Irrigation Districts Association.

Looking ahead, we encourage members to volunteer for the Public Trust Project so that we may continue to bridge the urban/rural gap. ILWG's success is built on the collective strength of our membership—working together as a catalyst for the entire sector and for the individual producers who sustain it. Thank you for your collaboration, commitment, and support. For more information on our work and initiatives, please visit www.ilwg.ca

AGSAFE ALBERTA REPORT

This past year featured several safety achievements worth celebrating, especially in educational course offerings. A highlight was the launch of FARMERS CARE Level 4, the final stage in our introductory safety program. Level 4 introduces emergency action plans and covers practical measures producers can take to prevent, prepare for, manage, and recover from emergencies. Since the launch, more than 140 producers have enrolled in Level 4 to continue their progress in the program, and over 95 per cent of those producers have completed the course, bringing their FARMERS CARE journey full circle.

FARMERS CARE Level 4 wasn't the only new course to launch in 2024-25, either. AgSafe Alberta also unveiled new Respiratory Protective Equipment Awareness and Confined Space Awareness courses, as well as a new WHMIS, Pesticide, Veterinary Drug and Medicated Feed Course that reflects 2023 changes to the Hazardous Products Legislation. This programming equips producers with the tools they need to understand and address the most common hazards on farms and ranches today. Together, these new courses and our existing offerings propelled AgSafe Alberta to an impressive milestone: more than 1,000 total users enrolled in our learning platform. In 2024-25 alone, 428 new learners were registered on the platform, a 62 per cent year-over-year increase.

With so many new AgSafe Alberta course offerings now available to producers at no cost, it has never been easier to upgrade your operation's safety plans and procedures to protect the people who matter most. If you haven't already, one of the easiest ways to get started is to enrol in FARMERS CARE. At the time of this report, more than 400 Alberta producers have completed FARMERS CARE Level 1. By joining them, you can demonstrate your commitment to farm safety and contribute to a culture of safety across the province.

RESULTS DRIVEN AGRICULTURAL RESEARCH (RDAR)

RDAR – Prioritizing the Research That Matters Most

Through 2026, RDAR will continue to leverage its investments and approve funding for those projects that address on-farm challenges. Nearly $30 million dollars was invested across 122 projects between April 1, 2024, and March 31, 2025, with each one scrutinized to ensure it meets our producer-led mandate.

Since 2020 RDAR's targeted investment in bringing on-farm innovation to the poultry industry has seen over $7.5 million invested in more than 30 projects, and those numbers will continue to grow as we listen to your feedback and help instigate the search for effective solutions.

Over the past five years, RDAR has firmly established itself as a trusted partner within the Alberta agriculture ecosystem, listening to producers, then investing where it matters.

2026 RDAR Research Showcase

In January, RDAR held its fourth annual Research Showcase in Edmonton, attracting nearly 400 guests from all sectors of Alberta agriculture, and providing us the opportunity to shine a spotlight on those funded projects that are making a real difference to your industry.

Of note to the poultry sector, the University of Alberta presented on both the "Expanding opportunities for Western Canadian faba bean (Vicia faba) as a feedstuff for broiler chickens and laying hens and "Metabolic modeling to create competitive exclusion communities that control poultry pathogens and antimicrobial resistance".

RDAR

2026 Research Insights

Responding to producer concerns is a key part of RDAR's mandate. With our partners, some of the challenges we are working on in the poultry industry currently, include:

- Development of a vectored vaccine for dual protection of broiler chickens against inclusion body hepatitis and avian reovirus-induced tenosynovitis Dr. Susantha Gomis, University of Saskatchewan – End Date: February 2030. Avian reoviruses are an emerging and economically significant threat to poultry production in Canada and globally, causing tenosynovitis, lameness, reduced production, and increased mortality in chickens and turkeys. At the same time, inclusion body hepatitis caused by fowl adenoviruses continues to cause major losses in the Canadian broiler industry, exceeding $15 million annually. This project aims to develop dual protection vaccines against avian reoviruses that cause tenosynovitis and inclusion body hepatitis. This project is being co-funded by Alberta Chicken Producers.

- Development of a biological pesticide for control of darkling beetles Dr. David Stuart, University of Alberta – End Date: March 2027. Darkling beetles are a costly pest in poultry barns, consuming feed, spreading disease, and damaging insulation, while existing control methods are limited by reinfestation, toxicity, and resistance. This project, in collaboration with Alberta Chicken Producers, Chicken Farmers of Canada, and Turkey Farmers of Canada, aims to target both the beetle and their larvae with a non-chemical treatment that will also inhibit resistance development.

To learn more about these projects, other initiatives, and the latest funding calls, please visit www.rdar.ca

RDAR Board Updates

RDAR's Annual Members Meeting was held in Edmonton on January 22, 2026; where D'Arcy Hilgartner was elected as incoming Chair. As a major contributor to RDAR's success, the Board appointed outgoing Chair, Dr. David Chalack, DVM to the position of Honourary Past Chair, where he will continue his advocacy for RDAR and advise the Board as required.

Josie Van Lent was returned as Vice Chair; and RDAR welcomes Kelly Barany and Roger Barron to the Board, along with former McDonald's Canada executive Jeffery Kroll. The three new directors will bring highly valuable experience to our organization.

RDAR

RDAR 2026 – 2027 Board of Directors:

Primary Producers and Agronomists
- Kelly Barany, BComm, CPA, CMA — Seed grower, Taber
- Roger Barron, RT (Ag), CCA — Agronomist, Spruce Grove
- Brian Brewin — Irrigated crops farmer, Taber
- JP Brouwer, B.Comm — Dairy producer, Ponoka
- D'Arcy Hilgartner, BSc — Grains, pulses, and oilseeds farmer, Camrose
- Steven Kenyon — Rancher, Busby
- Fred Lozeman, DPhil — Beef and mixed-farming producer, Claresholm
- Josie Van Lent, BSc Agr — Beef and bison rancher and crops farmer Vermilion
- Anke Wierenga, BSc, MSc – Poultry agribusiness, Olds

Directors with Global Agrifood and Marketing Expertise
- Ted Bilyea, BA, MA — International marketing and agrifood strategy
- Jeffery Kroll — Marketing and value-chain development

RDAR is committed to stay engaged with the poultry sector to understand the sector's issues, and what research will benefit Alberta's producers.

About RDAR: RDAR (Results Driven Agriculture Research) is mandated to target strategic investments in producer-led, results-driven agriculture research to power the profitability, productivity, competitiveness, and sustainability of agriculture in Alberta. As a not-for-profit organization, RDAR's funding comes from the Government of Alberta and the Government of Canada through the Sustainable Canadian Agricultural Partnership.

To stay informed and receive the latest agriculture research funding updates, please visit www.rdar.ca; follow us on X: @RDARAlberta; LinkedIn: RDAR Alberta; and Facebook: RDAR Alberta.

DIAGNOSTICS UPDATE

DSU Highlights

- Announcement of 3-year, $3.98M investment by the Government of Alberta for ongoing funding of the DSU until March 31, 2028
- 4179 cases submitted to the DSU in 2025 (Figure 1)
  - 396 poultry cases representing 9% of total DSU cases
  - 6,893 tests done on poultry cases (Figure 2)
  - All poultry commodities represented (Figure 3)
- DSU Molecular Diagnostics (PCR) Lab opened July 31, 2025
- Renovations completed for dedicated lab spaces for Serology, Molecular Diagnostics, and Parasitology
- Hosted the International Symposium of the World Association of Veterinary Laboratory Diagnosticians (ISWAVLD) June 12-14, 2025
  DSU Poultry Pathology
- DSU poultry pathologist Dr. Ashish Gupta, additional activities
  - Multiple poultry meetings
  - Teaching: 2nd year outbreak investigation course, 4th year laboratory diagnostics rotation
  - Research projects: "Interaction of hatchery vaccination and maternal antibodies applicable to infectious bronchitis in broilers raised in Alberta" and "Optimization of egg yolk antibody quantification as an alternative to serology for flock monitoring"
- Diseases of note diagnosed in all poultry at the DSU: colibacillosis, inclusion body hepatitis, infectious bursal disease, tibial dyschondroplasia, & Enterococcus cecorum septicemia

DSU Ancillary Labs

- Molecular Diagnostics (PCR): opened July 31, 2026
  - Avian tests: avian metapneumovirus A&B (for surveillance purposes only)
  - Tests in development: avian reovirus, infectious bronchitis virus, infectious bursal disease

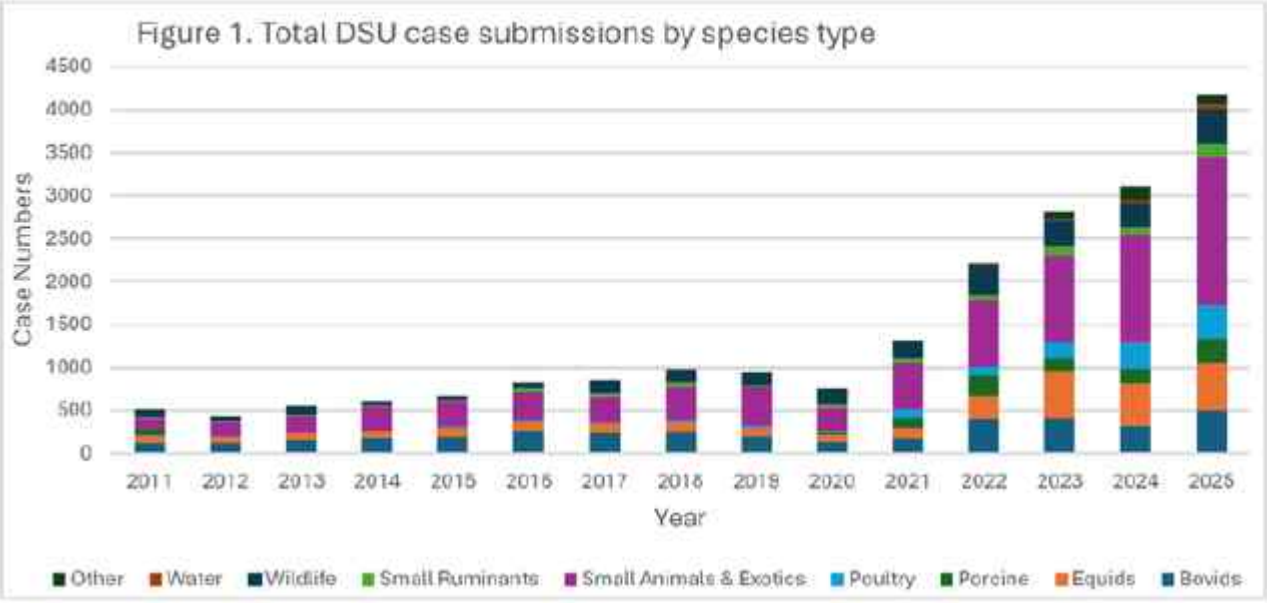
DIAGNOSTICS UPDATE

- Serology:
  - Avian tests: avian encephalomyelitis, avian metapneumovirus (for surveillance purposes only), avian reovirus, Mycoplasma gallisepticum, Mycoplasma synoviae, Newcastle disease, infectious bursal disease, infectious bronchitis virus
- Bacteriology:
  - Primary isolates from poultry cases: Escherichia coli, Enterococcus cecorum, Staphylococcus aureus, Pseudomonas aeruginosa, Salmonella species
  - Validation of IR Biotyper for typing of Salmonella serovars ongoing
- Parasitology: accepting poultry submissions as of summer, 2025
  - Avian tests: qualitative fecal floats, fecal egg counts
- Veterinary Outbreak Investigation Service (VOIS)
  - Provides funding for diagnostic testing to investigate on-farm outbreaks (sudden increased morbidity or mortality) at the request of the veterinarian
  - 37 poultry submissions supported in 2025

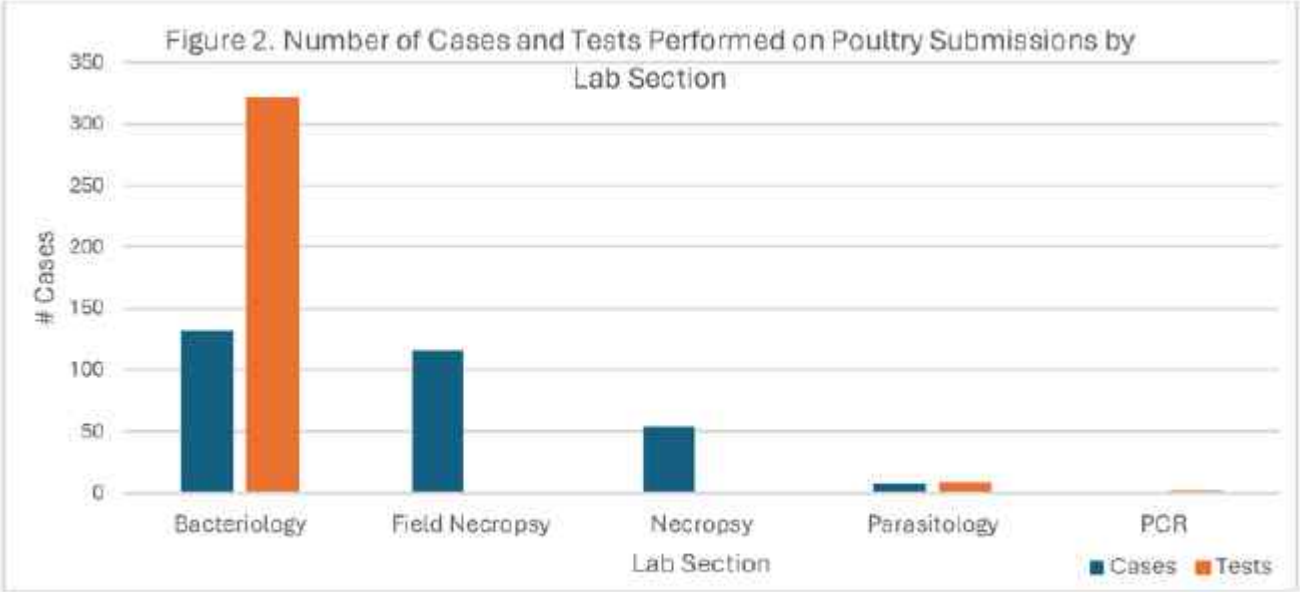
Thank you for your ongoing support of the DSU!

Sincerely,
The DSU Leadership Team
Dr. Maria Bravo-Araya (DSU Interim Director & Veterinary Virologist)
Dr. Lindsay Rogers (Client Services Veterinarian and Chair, VOIS)
Mrs. Sara Loch (Manager, DSU Operations)

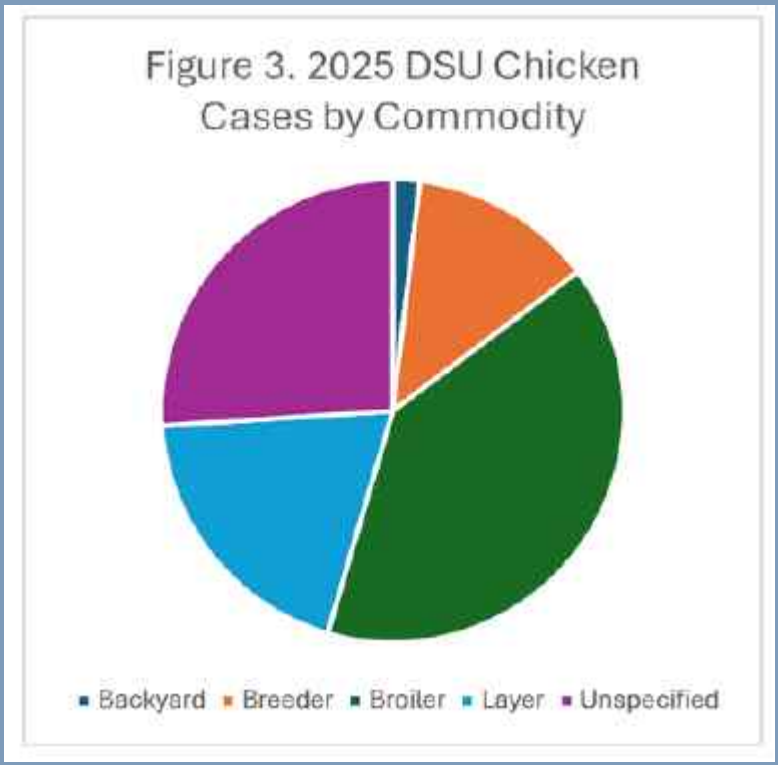
Figures



DIAGNOSTICS UPDATE



Serology: 150 cases | 6,390 tests



ALBERTA POULTRY INDUSTRY EMERGENCY MANAGEMENT TEAM

The Albera Poultry Industry Emergency Management Team (APIEMT) continued its strong commitment to support producers in preparing for and responding to HPAI and other emergencies. The team was fortunate to receive funding to further enhance our overall emergency response capacity under the Sustainable Canadian Agricultural Partnership, a federal-provincial-territorial initiative.

The APIEMT kept producers and industry partners informed through regular communications including memos, interactive map links, and seasonal (spring and fall) HPAI risk migration notices. Webinars provided valuable and timely information on key topics such as HPAI process updates, epidemiology, vaccination progress, and human health considerations. To improve producer preparedness, information from the Emergency Response Plan was adapted into simplified, easy-to-reference posters. These resources provide quick guidance on disease risk levels, immediate response actions, extreme weather and natural emergencies, and cybersecurity awareness.

The APIEMT coordinated whole-barn gassing emergency depopulation training for selected producers and third-party industry service providers. This training directly supported the poultry industry's goal of maintaining surge capacity in partnership with the Canadian Food Inspection Agency (CFIA), ensuring that all Alberta poultry farms can be depopulated within 48 hours in the event of an emergency.

A disposal consultant engaged with layer producers to assist in developing individualized emergency disposal plans. These plans are designed to streamline the approval process for disposal sites and reduce delays during outbreak response, while mitigating future disease risks. The discussions focused particularly on the long-term benefits of the above-ground burial method, with findings and best practices to be further developed and shared in 2026.

The year concluded with a highly successful strategic planning session and a tabletop exercise that tested the team's ability to manage a complex HPAI outbreak scenario involving both poultry and dairy operations. The exercise also incorporated challenges related to misinformation, staffing, and human health, which further strengthened the APIEMT's readiness for real-world emergencies.

HIGHLIGHTS OF 2025

Research Priorities

As a result of PIP group being sunsetted, discussions moved forward with the SM4 group to determine each organization's goals for research. Each commodity identified their top research priorities in an effort to find commonality and secure research funding from outside sources, such as RDAR, in addition to industry funding.

On-Farm Programs

Our producers continue to work hard at maintaining compliance in both the CHEQ and ACP programs on farm. Small adjustments to each program have worked towards streamlining the record keeping and auditing processes.

The AHEP office underwent their Third Party Audit which examines record keeping and Standard Operating Procedures making up the office Management Manual. We are happy to report that there were no non-compliances noted in the audit. The next Third Party Audit is expected to occur within 18 months.

Producer Meetings

The AHEP board hosted two producer meetings in addition to the 2025 AGM. The first meeting was held in January and focused on developing the Growth Policy and receiving producer input. The second meeting took place in November and included industry updates on HPAI, egg supply, the new COP, PIE testing and SE protocols and the new website. Both meetings were well attended and AHEP appreciates the opportunity to bring our producers together to discuss timely industry issues.

HIGHLIGHTS OF 2025

Poultry Insurance Exchange

Fortunately, the hatching egg sector managed to escape the outbreak of HPAI in fall of 2025. We are continuing to monitor CFIA's response to HPAI compensation and how any changes may affect our insurance coverage or premiums. Unfortunately, our industry experienced a resurgence of SE during the year. The claims were successfully accepted and paid by PIE.

Brian Wassink has decided to step down as the PIE Western Director. We would like to extend our appreciation for his years of service and thank Jeff Notenbomer for stepping into the role heading into 2026.

We would also like to say a huge thank you to Dixie Dolan for the time on the road and the miles travelled to keep our SE program running successfully!

Industry Relations

The AHEP Board and staff attended many events over the course of the year to strengthen relationships with our industry partners:

- Meeting with Premier Danielle Smith and SM5, Edmonton - April
- Sofina Staff BBQ, Edmonton - June
- Sofina Summer Get Together, Calgary - July
- Sunrise 20th Anniversary BBQ, Lethbridge- July
- Joint strategic planning session with Alberta Chicken Producers, Canmore - August
- Two Industry Advisory Meetings with the Alberta Chicken Producers Board, Edmonton - June and October
- SM5 meeting with Premier Danielle Smith at a dairy farm, Joffre - October
- Alberta Chicken Producers Regional Meeting, Edmonton - November

HIGHLIGHTS OF 2025

COP Update

The goal of the AHEP cost of production (COP) model is to identify, as accurately as possible, the true costs incurred to produce hatching eggs in Alberta. Serecon was engaged by AHEP to fulfill this objective.

Operating costs represent the weighted average of true costs verified by Serecon staff. Other COP components have more of a modelling approach combined with producer information input. In Alberta, the price per saleable chick is updated every 8 weeks to reflect the broiler production cycle. Each update involves indexing the data obtained from original producer data collection. As time goes by, there becomes a point where indexing may no longer reflect true costs and it is then necessary to resurvey production and create a new COP base. This practice is common and occurs approximately every 5 years.

AHEP engaged Serecon to resurvey all Alberta's hatching egg producers in 2024. This data, together with other modeling procedures, resulted in an updated COP that was implemented for pricing in 2025 (APO110). In summary, the total cost of production increased by approximately $1.90 per hen. The indexing of feed costs were no longer capturing the true cost of feed due to the increase in the amount of feed required for each hen. Capital costs decreased however, were offset by an increase in repairs and maintenance, reflecting the aging of production barns since 2021. The actual cost of day-old breeder chicks increased by a significant $7.41 per hen between the 2021 and 2025 COP. AHEP staff survey hatcheries to obtain the current actual cost per chick every pricing period so thankfully, this cost has been accurately indexed and captured in the COP and saleable chick pricing.

Serecon will continue to update the 2025 COP every eight weeks using indexing methods and AHEP staff will also apply pricing mechanism adjustments. Together, these processes will establish a saleable chick price that reflects the true costs of producing chicks for the broiler sector on an average broiler breeder farm in Alberta.

FINANCIALS

ALBERTA HATCHING EGG PRODUCERS

Financial Statements
Year Ended November 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of Alberta Hatching Egg Producers

Opinion

We have audited the financial statements of Alberta Hatching Egg Producers (the board), which comprise the statement of financial position as at November 30, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the board as at November 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the board in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to Note 2 to the financial statements which describes a prior period adjustment.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the board's financial reporting process.

(continues)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board'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 board'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 board 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.

King + Company

Edmonton, AB
February 5, 2026

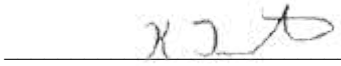
CHARTERED PROFESSIONAL ACCOUNTANTS

KING & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

ALBERTA HATCHING EGG PRODUCERS
Statement of Financial Position
As at November 30, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	$ 1,403,739	$ 1,122,807
Term deposits (Note 3)	633,810	1,472,169
Accounts receivable (Note 4)	267,178	282,238
Prepaid expenses	69,697	68,489
	2,374,424	2,945,703
EQUIPMENT AND LEASEHOLD IMPROVEMENTS (Note 5)	24,121	15,579
TERM DEPOSITS (Note 3)	897,141	-
	$ 3,295,686	$ 2,961,282
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	$ 170,603	$ 245,193
CONTINGENT LIABILITY (Note 7)		
COMMITMENTS (Note 8)		
NET ASSETS		
Invested in equipment and leasehold improvements	24,121	15,579
Unrestricted	3,100,962	2,700,510
	3,125,083	2,716,089
	$ 3,295,686	$ 2,961,282

ON BEHALF OF THE BOARD


Director

Director

ALBERTA HATCHING EGG PRODUCERS
Statement of Operations
Year Ended November 30, 2025

	2025	2024
REVENUE		
Provincial levies	$ 2,105,372	$ 2,022,424
Diagnostic and other	209,458	9,912
Interest	56,917	46,243
	2,371,747	2,078,579
EXPENSES		
Poultry risk management	643,399	521,416
Salaries and benefits	363,726	326,472
Canadian Hatching Egg Producers levies	338,428	278,583
Members' allowance	81,509	133,672
Office	43,014	42,813
Rent	42,258	45,781
Employee operational expenses	34,870	23,520
Members' expenses	33,604	51,127
Meeting expenses	25,969	33,240
Professional fees	22,146	25,386
Advertising, promotion and dues	20,911	12,848
Contract services	6,400	5,548
Amortization of equipment and leasehold improvements	4,979	5,080
Insurance and bonding	3,467	3,511
	1,664,680	1,508,997
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	707,067	569,582
OTHER EXPENSES		
Special Project (Schedule 1)	298,073	197,966
EXCESS OF REVENUE OVER EXPENSES	$ 408,994	$ 371,616

ALBERTA HATCHING EGG PRODUCERS
Statement of Changes in Net Assets
Year Ended November 30, 2025

	Invested in Equipment and Leasehold Improvements	Unrestricted	2025	2024
NET ASSETS - BEGINNING OF YEAR				
As previously reported	$ 15,579	$ 2,601,067	$ 2,616,646	$ 2,344,473
Prior period adjustment (Note 2)	-	99,443	99,443	-
As restated	15,579	2,700,510	2,716,089	2,344,473
Excess of revenue over expenses	(4,979)	413,973	408,994	371,616
Purchase of equipment	13,521	(13,521)	-	-
NET ASSETS - END OF YEAR	$ 24,121	$ 3,100,962	$ 3,125,083	$ 2,716,089

ALBERTA HATCHING EGG PRODUCERS
Statement of Cash Flows
Year Ended November 30, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenue over expenses	$ 408,994	$ 371,616
Item not affecting cash:		
Amortization of equipment and leasehold improvements	4,979	5,080
	413,973	376,696
Changes in non-cash working capital:		
Accounts receivable	15,059	10,477
Prepaid expenses	(1,208)	10,632
Accounts payable and accrued liabilities	(74,588)	85,470
	(60,737)	106,579
Cash flow from operating activities	353,236	483,275
INVESTING ACTIVITY		
Purchase of equipment and leasehold improvements	(13,520)	(3,054)
FINANCING ACTIVITY		
Purchase of term deposits	(897,143)	-
INCREASE (DECREASE) IN CASH	(557,427)	480,221
CASH - BEGINNING OF YEAR	2,594,976	2,114,755
CASH - END OF YEAR	$ 2,037,549	$ 2,594,976
CASH CONSISTS OF:		
Cash	$ 1,403,739	$ 1,122,807
Term deposits	633,810	1,472,169
	$ 2,037,549	$ 2,594,976

NATURE OF OPERATIONS

The Alberta Hatching Egg Producers (the "Board") was incorporated under the Marketing of Agricultural Products Act to allot production and marketing quotas and to establish prices paid to producers by hatcheries for broiler hatching eggs in the Province of Alberta. The Board is a not-for-profit organization and is exempt from income taxes under the Income Tax Act. The Board charges levies, and quota allocation fees, as authorized under regulation, to fund its activities and to assist in enforcing regulations.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial Instruments

Initial Measurement

The Board initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Board is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Board in the transaction.

Subsequent Measurement

The Board subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in earnings in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash and accounts receivable. Financial liabilities measured at amortized cost using the straight-line method include accounts payable and accrued liabilities.

Transaction Costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in earnings in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm’s length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in earnings over the life of the instrument using the straight-line method.

(continues)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment

For financial assets measured at cost or amortized cost, the Board determines whether there are indications of possible impairment. When there are, and the board determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in earnings. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in earnings.

Revenue Recognition

The Board follows the deferral method of accounting for contributions. Restricted contributions are recognized in revenue in the year in which the related expenses are incurred. Unrestricted contributions and other revenue are recognized in revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the acquisition of property and equipment are deferred and recognized as revenue in the periods in which the related amortization expense of the funded assets is recorded.

Levies are set on an annual basis and are on a timely basis after the eggs are set. Hatcheries remit levies based on the eggs hatched.

Administrative charges and other fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash

Cash is comprised of cash held with financial institutions.

Equipment and Leasehold Improvements

Equipment and leasehold improvements are stated at cost or deemed cost less accumulated amortization, and are amortized over their estimated useful lives at the following rates and methods:

Furniture and equipment	20%	declining balance method
Computer	30%	declining balance method
Website	10%	straight-line method
Leasehold improvements	20%	straight-line method

Equipment and leasehold improvements acquired during the period but not place into use are not amortized until they are placed into use.

(continues)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cloud Computing Arrangements

Effective December 1, 2024, the board adopted Accounting Guideline 20, customer's accounting for cloud computing arrangements, which provides guidance on the accounting for expenditures on cloud computing arrangements. As part of the adoption, the board elected to apply the simplification approach to account for its expenditures in its cloud computing arrangements. When there are multiple elements within a single cloud computing arrangement, the board allocates the consideration to each separable element based on the relative stand-alone selling prices. Expenditures in all cloud computing agreements, excluding tangible capital assets and rights to use tangible capital assets, are treated as a supply of services and expensed as the board receives the services. Amounts paid in advance of receiving the services are recognized as a prepaid expense. In accordance with the transitional provisions, the board has applied the new accounting guideline retrospectively. As a result of applying the amendments, there was no impact on the board's previously reported financial position or results of operations or cash flows.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

2. PRIOR PERIOD ADJUSTMENT

During the year, it was determined that levies relating to the fiscal 2023 year were understated. As a result the following amounts were corrected in the current year:

	Previously stated	Change	Restated
Accounts receivable	$ 188,300	$ 104,415	$ 292,715
GST payable	21,388	4,972	26,360
Levies	1,819,753	99,443	1,919,196

3. TERM DEPOSITS

	2025	2024
Unrestricted	$ 1,407,951	$ 1,361,769
Restricted	123,000	110,400
	$ 1,530,951	$ 1,472,169

Unrestricted term deposits bear interest averaging 2.73% (2024 - 4.04%), maturing from October 2, 2026 to October 23, 2030.

Restricted term deposit bears interest at 2.45% (2024 - 3.40%), maturing on October 8, 2026 and is held as security for the Canadian Hatching Egg Producers contract as described in Note 7.

4. ACCOUNTS RECEIVABLE

	2025	2024
Levies and other	$ 262,729	$ 275,925
Interest	4,449	6,313
	$ 267,178	$ 282,238

5. EQUIPMENT AND LEASEHOLD IMPROVEMENTS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer	$ 29,882	$ 24,698	$ 5,184	$ 7,405
Furniture and equipment	41,205	26,635	14,570	3,001
Leasehold improvements	1,695	1,525	170	509
Website	30,389	26,192	4,197	4,664
	$ 103,171	$ 79,050	$ 24,121	$ 15,579

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Wages	$ 79,076	$ 63,941
Government remittances	36,671	37,233
Trade and other	28,477	54,485
Canadian Hatching Egg Producers	26,379	89,534
	$ 170,603	$ 245,193

7. CONTINGENT LIABILITY

The Board is contingently liable to the Canadian Hatching Egg Producers under an over-marketing agreement and has assigned a guaranteed investment certificate for $123,000 as security in the event that its provincial quota allocation is exceeded.

8. COMMITMENTS

Lease

The board has committed until August 31, 2026 under operating leases for premises, to annual rent as follows plus operating expenses as defined in the lease:

2026	$ 22,415

9. FINANCIAL INSTRUMENTS

The board is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the board's risk exposure and concentration as of November 30, 2025.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Board's financial instruments that are exposed to credit risk are primarily cash, term deposits and accounts receivable. The Board maintains its cash in a major financial institution. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

The Board's accounts receivable are exposed to credit risk as the majority of accounts receivable are from entities that conduct their business within the same industry.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Board manages exposure through its normal operating and financing activities. The Board is exposed to interest rate risk primarily through its term deposits.

10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

ALBERTA HATCHING EGG PRODUCERS
Special Projects *(Schedule 1)*
Year Ended November 30, 2025

	2025	2024
Special project expenses		
COP study	$ 91,370	$ -
Grants	52,270	50,175
PIE audit and testing	49,767	49,996
Animal care program	33,787	12,175
Inspections	28,333	6,079
Producer services	23,731	-
COP update fee	9,625	38,250
ILWG-MOU	5,719	2,813
Emergency management	5,016	1,523
SM5 cost share	1,029	2,574
Diagnostic and veterinary	-	26,892
Offsap (recovery)	(2,574)	7,489
	$ 298,073	$ 197,966

AHEP PRIORITIES 2026

- MEET ALLOCATION
- RISK MANAGEMENT DISCUSSIONS
- SUPPLY CHAIN ENGAGEMENT & ASSESSMENT
- RESEARCH ASSESSMENT
- MAPA REVIEW OBLIGATIONS
- STRATEGIC PLAN 5-YEAR REVIEW
- TRADE LOBBYING

THANK YOU!

The AHEP Board and staff thank all producers and industry partners for their continued commitment to supply management. We look forward to continued cooperation and success in 2026!

NOTES:

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