

SIR Royalty Income Fund

Investor Presentation – August 2025



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Forward-Looking Information / Non-IFRS Measures

Certain statements contained in this report, or incorporated herein by reference, including the information set forth as to the future financial or operating performance of the SIR Royalty Income Fund (the "Fund") or SIR Corp. ("SIR"), that are not current or historical factual statements may constitute **forward-looking information** within the meaning of applicable securities laws ("forward-looking statements"). Statements concerning the objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and the business, operations, financial performance and condition of the Fund, the SIR Holdings Trust (the "Trust"), the SIR Royalty Limited Partnership, (the "Partnership") SIR, the SIR Restaurants or industry results, are forward-looking statements. The words "may", "will", "should", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate" and other similar terminology and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Fund, the Trust, the Partnership, SIR, the SIR Restaurants or industry results, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. These statements reflect Management's current expectations, estimates and projections regarding future events and operating performance and speak only as of the date of this document. Readers should not place undue importance on forward-looking statements and should not rely upon this information as of any other date. Risks related to forward-looking statements include, among other things, challenges presented by a number of factors, including: market conditions; competition; changes in demographic trends; weather; changing consumer preferences and discretionary spending patterns; changes in consumer confidence; changes in national and local business and economic conditions; the risk of cybersecurity breaches; pandemics or other material outbreaks of disease or safety issues affecting humans or animals or food products; the ability to maintain staffing levels; the impact of inflation, including on input prices and wages; the risk of a recession; the impact of the war in the Ukraine; changes in tariffs and international trade; changes in foreign exchange and interest rates; changes in availability of credit; legal proceedings and challenges to intellectual property rights; dependence of the Fund on the financial condition of SIR; legislation and governmental regulation, including the cost and/or availability of labour as it relates to changes in minimum wage rates or other changes to labour legislation and forced closures of or other limits placed on restaurants and bars; laws affecting the sale and use of alcohol (including availability and enforcement); changes in cannabis laws; changes in environmental laws; privacy matters; accounting policies and practices; changes in tax laws; and the results of operations and financial condition of SIR. The foregoing list of factors is not exhaustive. Many of these issues can affect the Fund's or SIR's actual results and could cause their actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Fund or SIR. There can be no assurance that SIR will remain compliant in the future with all of its financial covenants under the Credit Agreement and imposed by the lender. Given these uncertainties, readers are cautioned that forward-looking statements are not guarantees of future performance and should not place undue reliance on them. The Fund and SIR expressly disclaim any obligation or undertaking to publicly disclose or release any updates or revisions to any forward-looking statements. Forward-looking statements are based on Management's current plans, estimates, projections, beliefs and opinions, and the Fund and SIR do not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change, except as expressly required by applicable securities laws.

For more information concerning the Fund's risks and uncertainties, please refer to the March 13, 2025 Annual Information Form, for the period ended December 31, 2024, and the Fund's most recent MD&A, which are available under the Fund's profile at www.sedarplus.ca. All of the forward-looking statements made herein are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Fund or SIR.

This presentation makes reference to certain **non-IFRS measures**. Adjusted Net Earnings (Loss), distributable cash, payout ratio, same store sales and same store sales growth are non-GAAP financial measures and do not have standardized meanings prescribed by IFRS. However, the Fund believes that distributable cash, payout ratio, same store sales and same store sales growth are useful measures as they are key performance indicators, helping investors assess cash available for distribution. The Fund's method of calculating these measures may vary from that of other issuers and, accordingly, these measures may not be comparable to measures used by other issuers. Investors are cautioned that distributable cash and the payout ratio should not be construed as an alternative to the statement of cash flows as a measure of liquidity and cash flows of the Fund. For more information, please refer to the Fund's most recent MD&A available on SEDAR+ and at www.sircorp.com.



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Overview



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SIR Royalty Income Fund (TSX: SRV.UN)

SIR Corp. ("SIR") is a leading Canadian operator of casual and fine dining restaurants

- 54 restaurants, primarily in Ontario
- 6 restaurant brands / 5 brands currently included in Royalty Pool
- ~ 4,020 employees
- Fiscal 2024 revenue: \$271.3 million

- IPO: October 2004
- Market capitalization: ~ \$123 million
- Recent close: \$14.80 (August 15, 2025)
- Units outstanding: 8,375,567
- Monthly cash distribution per unit: \$0.10
(increased from \$0.095 per unit in July 2025)
- Current yield: ~ 8.1%



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BAR

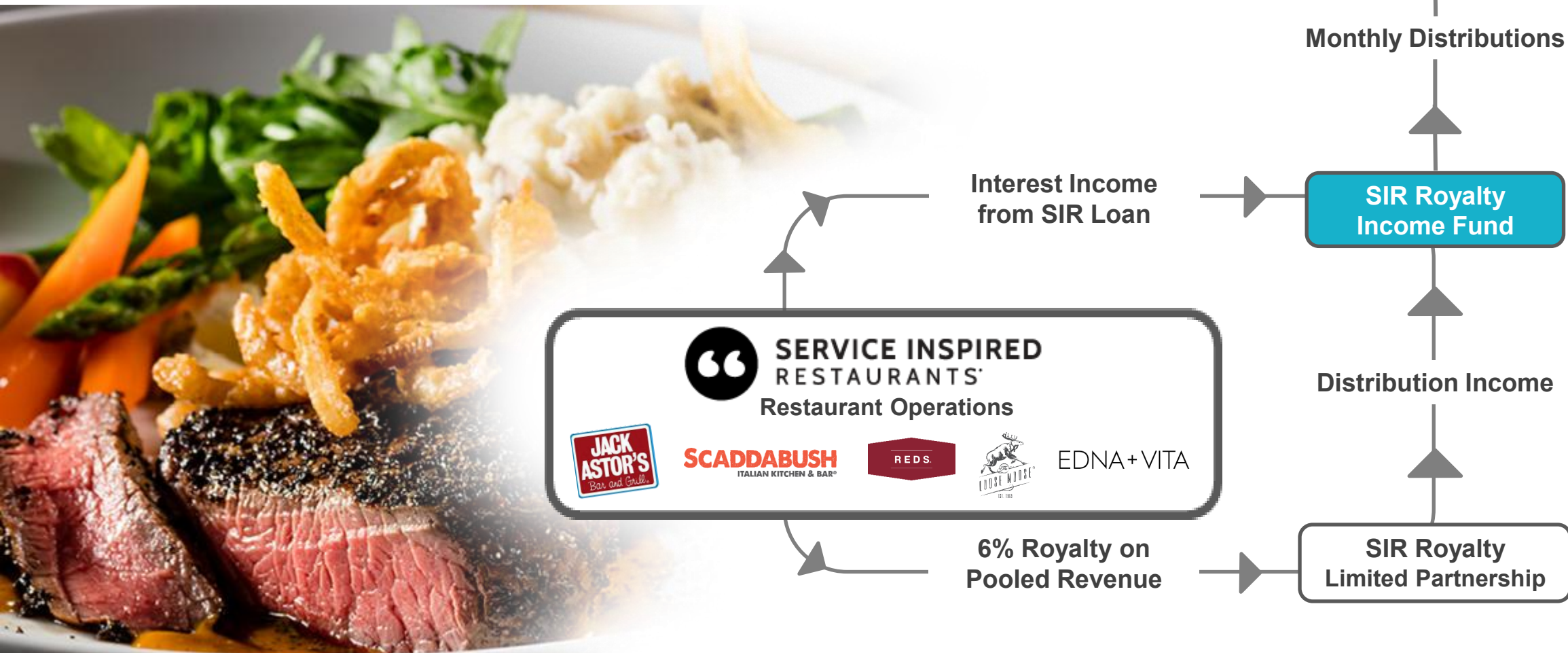


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Sources of Fund Income



The above illustration is for descriptive purposes only and is qualified in its entirety by the description in the actual agreements and by the Fund's prospectus on SEDAR+. As at May 4, 2025, SIR Corp. held a 15.78% residual interest in SIR Royalty Limited Partnership.

Board of Trustees

Name & Domicile	Principal Occupation
Stephen Dewis ^{1 3} Ontario, Canada	Corporate Director / Former Partner at Ernst & Young LLP
Michael Fisher ^{1 2 3} Ontario, Canada	Corporate Director / Former Global Head of Trading for Fixed Income, Currencies and Commodities, BMO Capital Markets
Lembit Janes ^{2 3} Ontario, Canada	Corporate Director / Former Chief Executive Officer, Janes Family Foods
Sandra Levy ^{2 3} Ontario, Canada	Corporate Director / Former Chief People and Culture Officer, Canadian Olympic Committee
Norm Mayr, <i>Chair</i> ^{1 3} British Columbia, Canada	Corporate Director / Former KPMG Audit Partner

1. Member of Audit Committee
2. Member of Governance Committee
3. Independent



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Experienced Management Team with Strong Alignment of Interests



Peter Fowler, CEO

- Director of SIR Corp. since 1992
- CEO since 2004 and the largest shareholder of SIR Corp.
 - Helped create SIR Concepts and continues to focus on Concepts
- CEO of SIR GP Inc.



Paul Bogнар, President & COO

- Joined SIR Corp. in 2012
- Head of Marketing, Human Resources, Finance, IT and Purchasing Departments
 - Previous: President of Simmons Canada; various senior positions with Maytag Canada



Jeff Good, CFO

- Joined SIR Corp. in 2000
- Helped launch SIR Royalty Income Fund
 - 30 + years experience in finance and accounting in the restaurant industry
 - CFO of SIR GP Inc.
 - Previous: VP Finance, Oliver Bonacini Hospitality



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SIR Corp. has an effective 15.78% interest in the Fund



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Benefits of SIR Corporate Ownership Model



Control

- Ability to implement consistent, best practices across restaurant network
- Coordination of roll-out of new restaurant locations and food & beverage offerings
- Leverage supplier relationships and delivery logistics

Flexibility

- Unlike franchises, changes can be affected without lengthy approvals or negotiations
- Ability to change restaurant design with minimal lead time
- Enables constant menu and service innovation

Consistency

- Consistent guest experience at all restaurant locations creates superior brand value

Greater control enables rapid implementation of operational / growth initiatives in response to consumer trends and competitive activity



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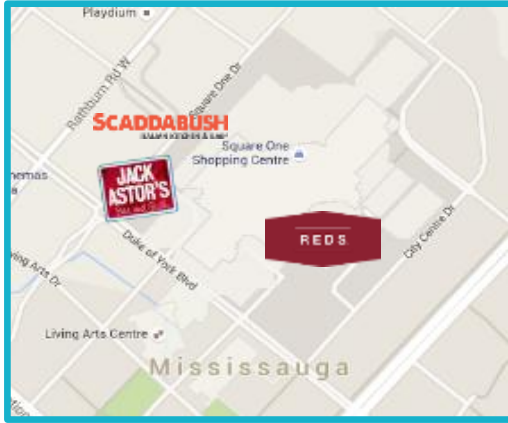


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Brand Diversification | High-Traffic Locations



Square One, Mississauga



Scarborough Town Centre



Front Street, Toronto



Toronto Airport



Sherway Gardens



Vaughan



Richmond Hill



Whitby

Diverse portfolio of brands enables SIR to locate more than one brand at prime, high-traffic locations

52 Royalty Pooled Restaurants (effective Jan. 1, 2025)¹



Locations in Ontario:

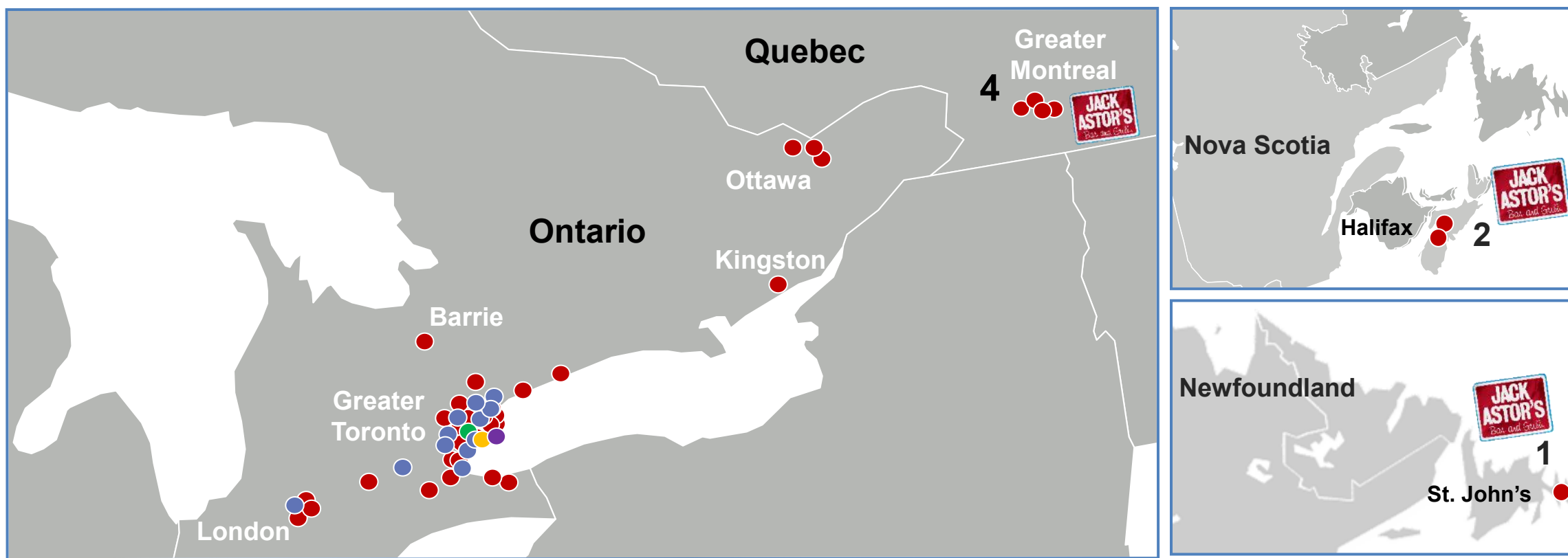
29 ● 

1 ● 

1 ● EDNA+VITA

13 ●  **SCADDABUSH**
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1 ● 



1. Includes the permanently closed Jack Astor's location in the Greenfield Park neighbourhood of Longueuil, Quebec, which will be removed from the Royalty Pool effective January 1, 2026.



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Investing in Existing Restaurants



Jack Astor's renovation program implements a refreshing, more contemporary and immersive guest-facing experience

17 *Jack Astor's renovated since pandemic restrictions lifted in March 2022*



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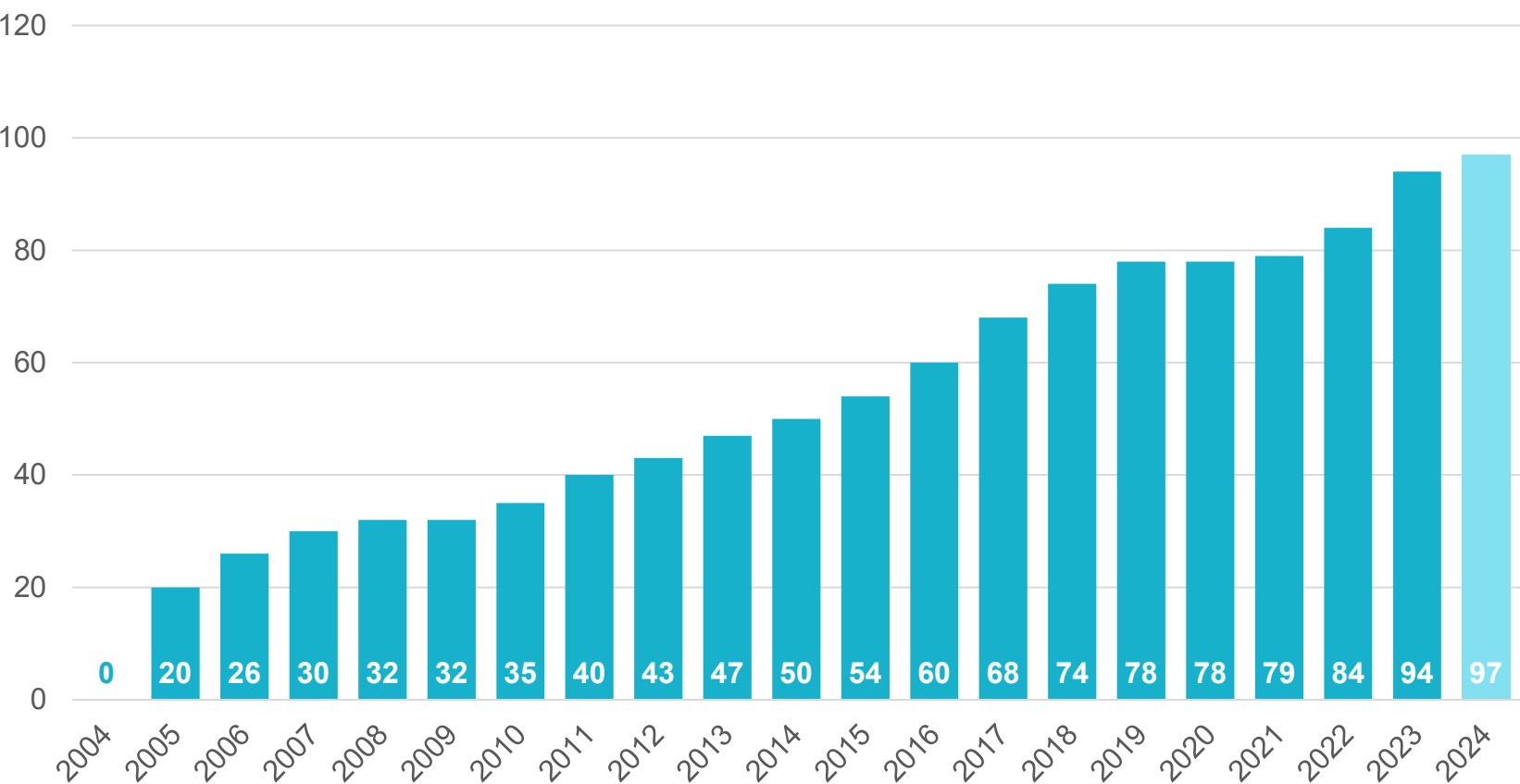


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Cumulative Renovations & Enhancements Completed



Investing in New Restaurants

- Three new Scaddabush restaurants added to Royalty Pool in January 2025: Don Mills (opened in Feb. 2024), London, ON (opened in April 2024), and Guelph, ON (opened in Aug. 2024)
- “Edna + Vita”, a new Italian themed, fine-dining restaurant (opened in April 2024) added to Royalty Pool in January 2025
- A second Duke’s Refresher + Bar location opened in May 2024 at Queen St. E. and Broadview Ave. in downtown Toronto (*currently not in consideration for the Royalty Pool*)
- New Scaddabush location in Barrie, Ontario (opened in June 2025) is expected to be added to Royalty Pool in January 2026
- SIR has leased a property in Oshawa, Ontario upon which it is developing a new Jack Astor’s restaurant



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Continued investment in new and existing restaurants



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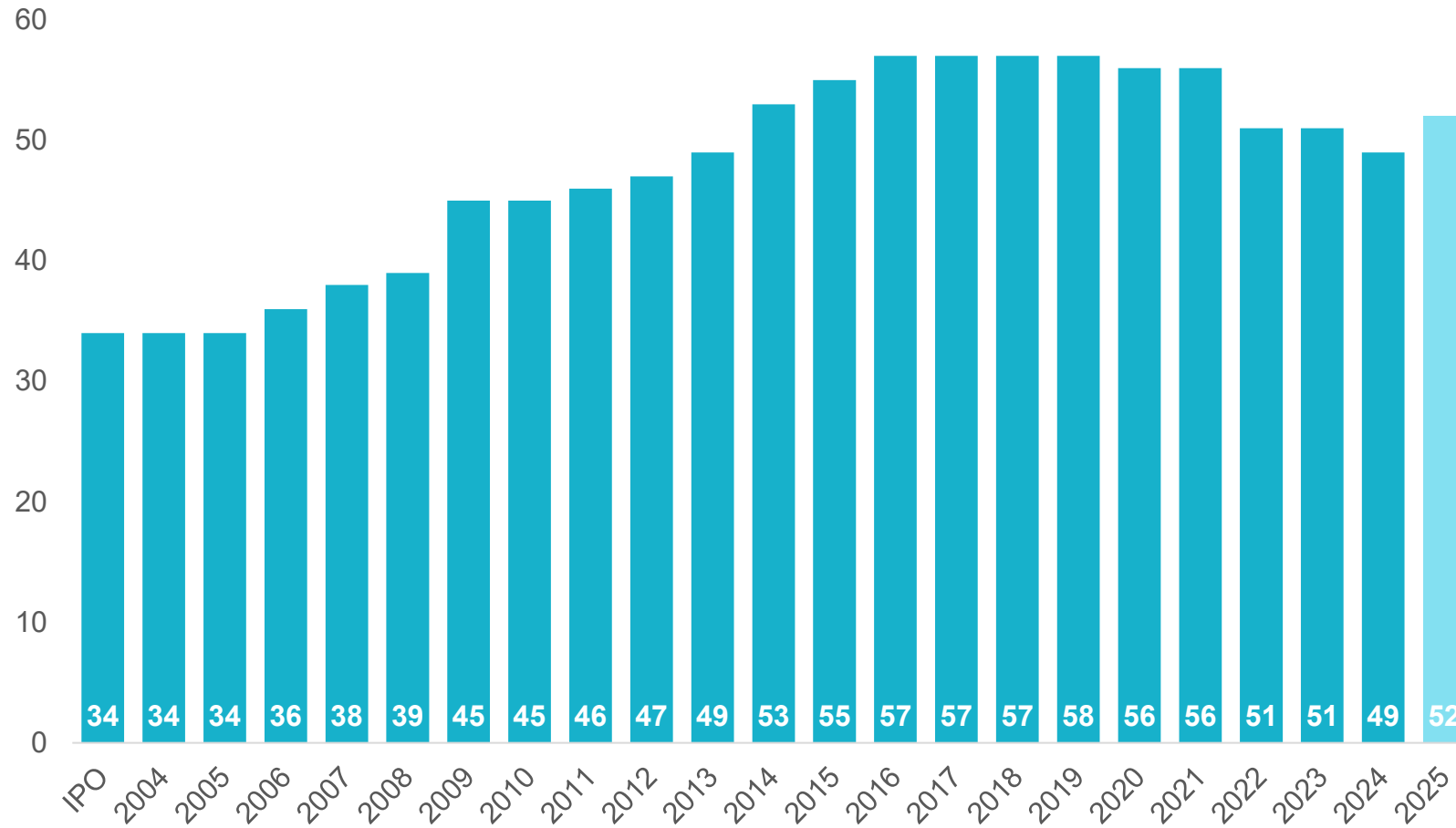


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Investing in New Restaurants



of Royalty Pooled Restaurants



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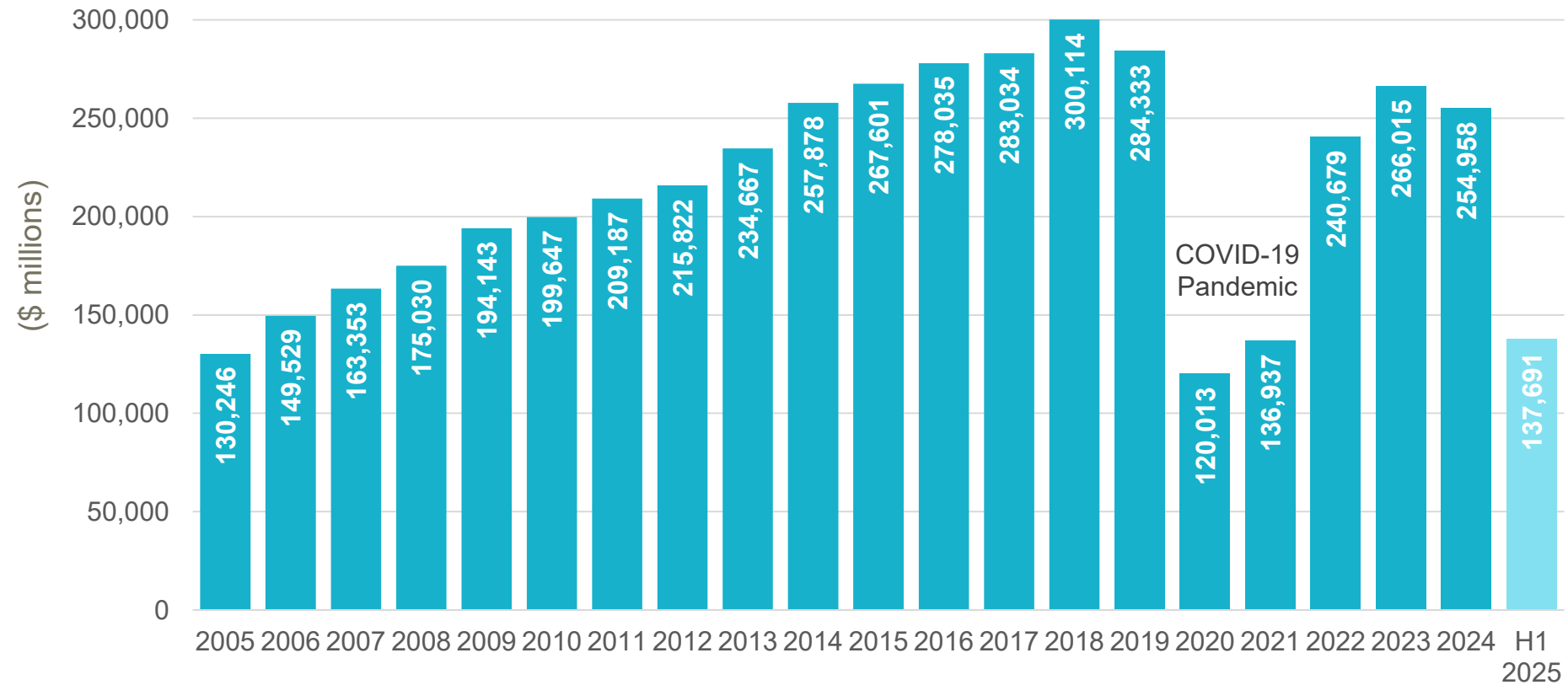


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Historical Pooled Revenue



Strong recovery in Pooled Revenue following the cessation of all pandemic-related operating restrictions in March 2022



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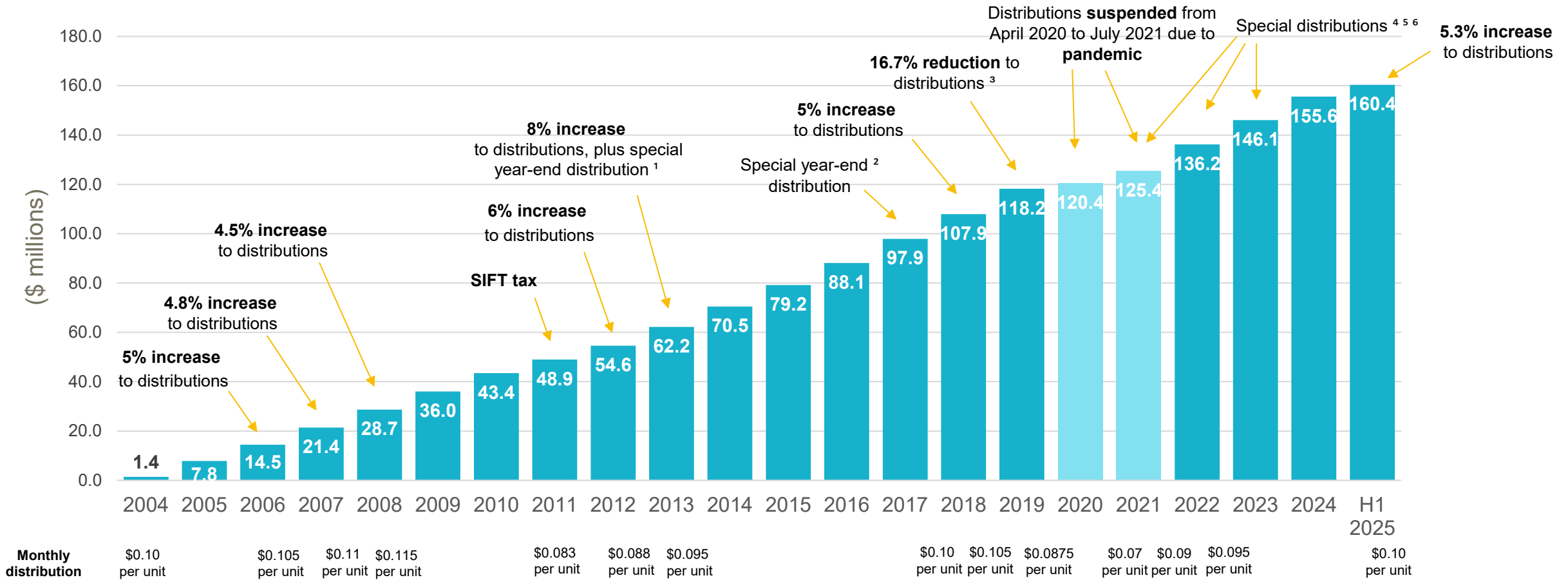


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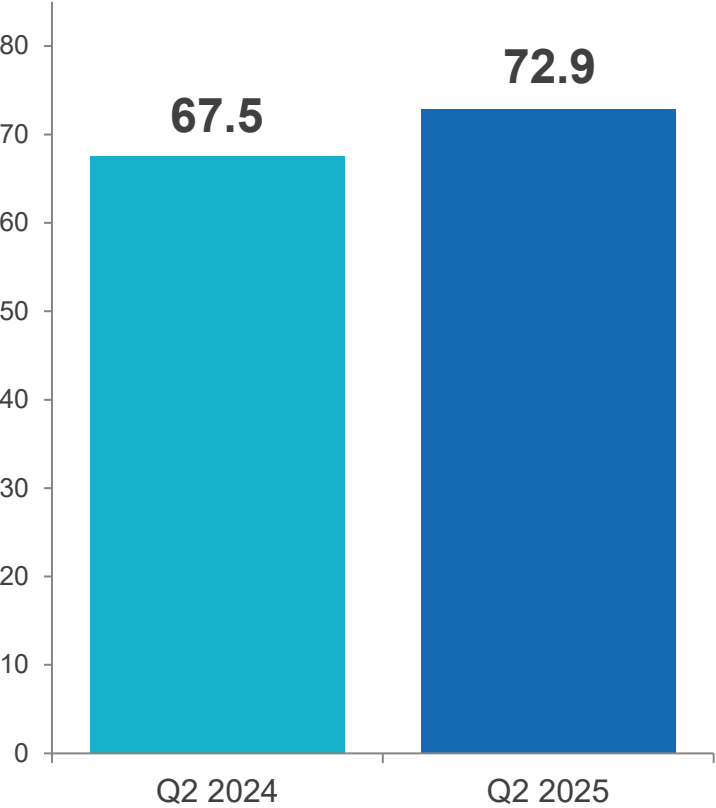
Cumulative Cash Distributions & Adjustments Since Inception to June 30, 2025



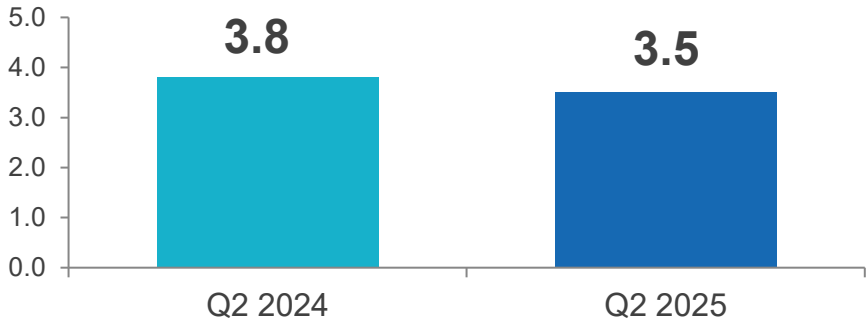
1. Cash distributed to unitholders in 2013 also includes the special year-end distribution of \$0.05 per unit
2. Cash distributed to unitholders in 2017 also includes the special year-end distribution of \$0.02 per unit
3. Monthly distribution reduced from \$0.105 per unit to \$0.0875 per unit in November 2019 to align with Royalty Pooled Revenue
4. Cash distributed to unitholders in 2021 also includes the special year-end distribution of \$0.10 per unit
5. Cash distributed to unitholders in 2022 also includes the July special distribution of \$0.135 per unit and the special year-end distribution of \$0.05 per unit
6. Cash distributed to unitholders in 2023 also includes the special year-end distribution of \$0.0425 per unit

Q2 2025 Financial Review (Three months ended June 30)

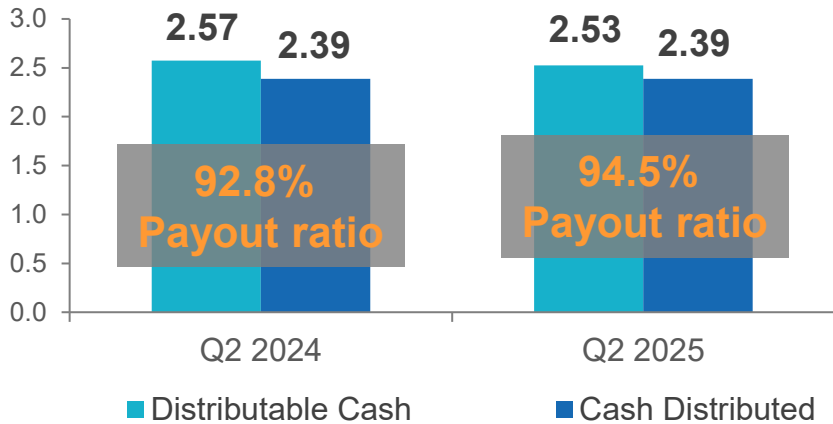
Pooled Revenue (\$ millions)



Net Earnings (\$ millions) ¹



Cash Distributions (\$ millions)



Same Store Sales (“SSS”)



The increase in consolidated SSS in Q2 2025 primarily reflects SSS growth of 7.0% at Scaddabush, partially offset by lower SSS at Jack Astor’s and the Signature restaurants.

The growth in Pooled Revenue in Q2 2025 reflects higher SSS and additional revenue from the four new restaurants that were added to the Royalty Pool effective January 1, 2025, partially offset by the closed Jack Astor’s restaurant that was removed from the Royalty Pool effective January 1, 2025.

The Fund’s payout ratio since inception in 2004 up to and including Q2 2025 is 99.9%, which is in line with its long-term target of 100% per annum.

1. The reduction in net earnings in Q2 2025 was partially attributable to a smaller increase in the estimated fair value of the SIR Loan in Q2 2025 compared to Q2 2024. The estimated fair value of the SIR Loan increased by \$1.8 million in Q2 2025, compared to \$2.0 million in Q2 2024.



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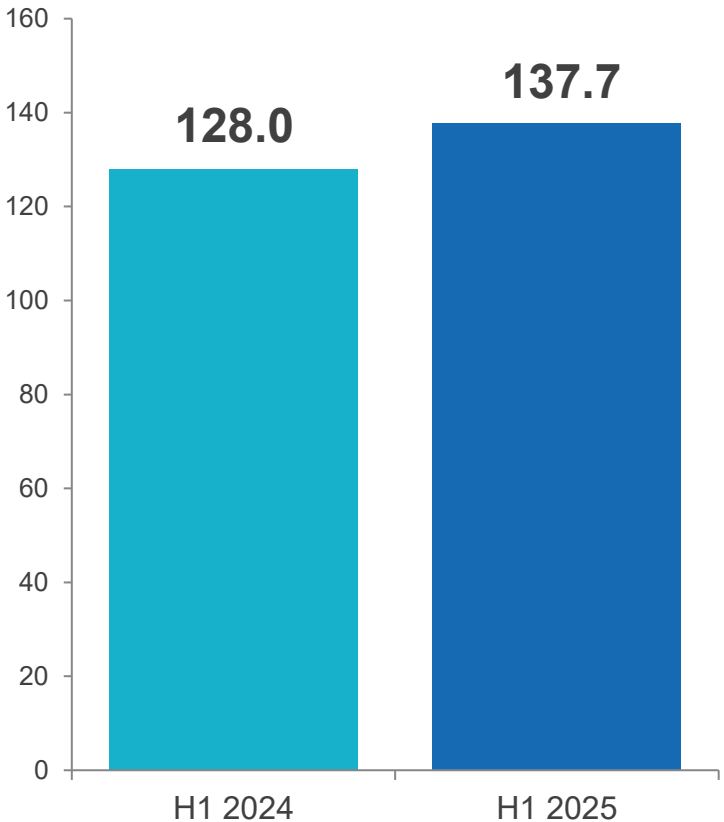
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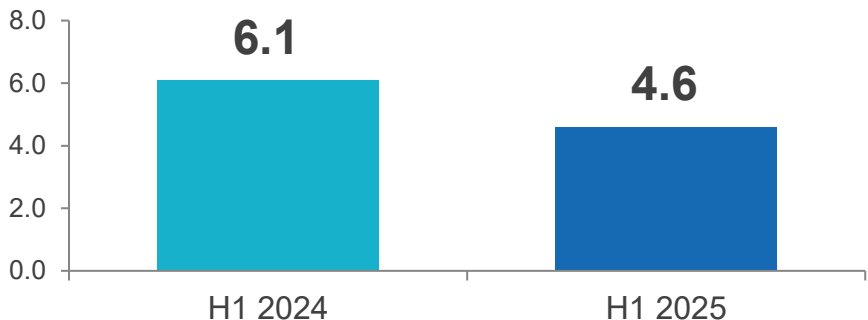
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First Half 2025 Financial Review (six months ended June 30)

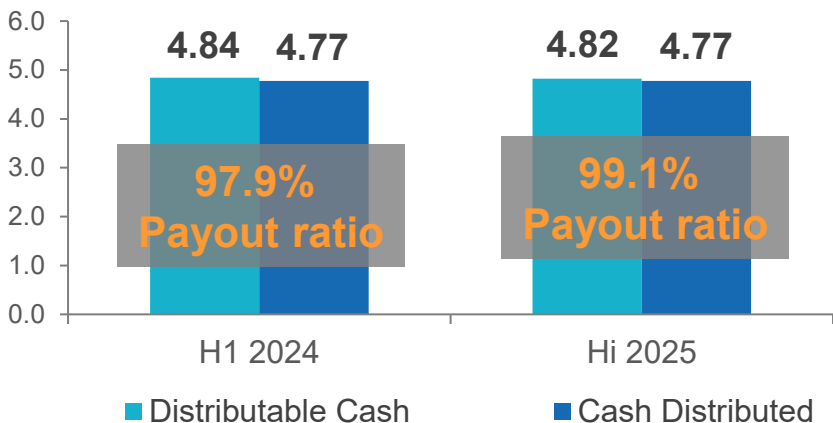
Pooled Revenue (\$ millions)



Net Earnings (\$ millions) ¹



Cash Distributions (\$ millions)



Same Store Sales



SSS in H1 2025 were similar to H1 2024 as SSS growth at Scaddabush was offset by SSS declines at Jack Astor's and the Signature Restaurants.

The growth in Pooled Revenue in H1 2025 reflects additional revenue from the four new restaurants that were added to the Royalty Pool effective January 1, 2025, partially offset by the closed Jack Astor's restaurant that was removed from the Royalty Pool effective January 1, 2025.

1. The decrease in net earnings in H1 2025 was primarily attributable to a smaller increase in the estimated fair value of the SIR Loan in H1 2025 compared to H1 2024. The estimated fair value of the SIR Loan increased by \$1.3 million in H1 2025, compared to \$2.8 million in H1 2024.



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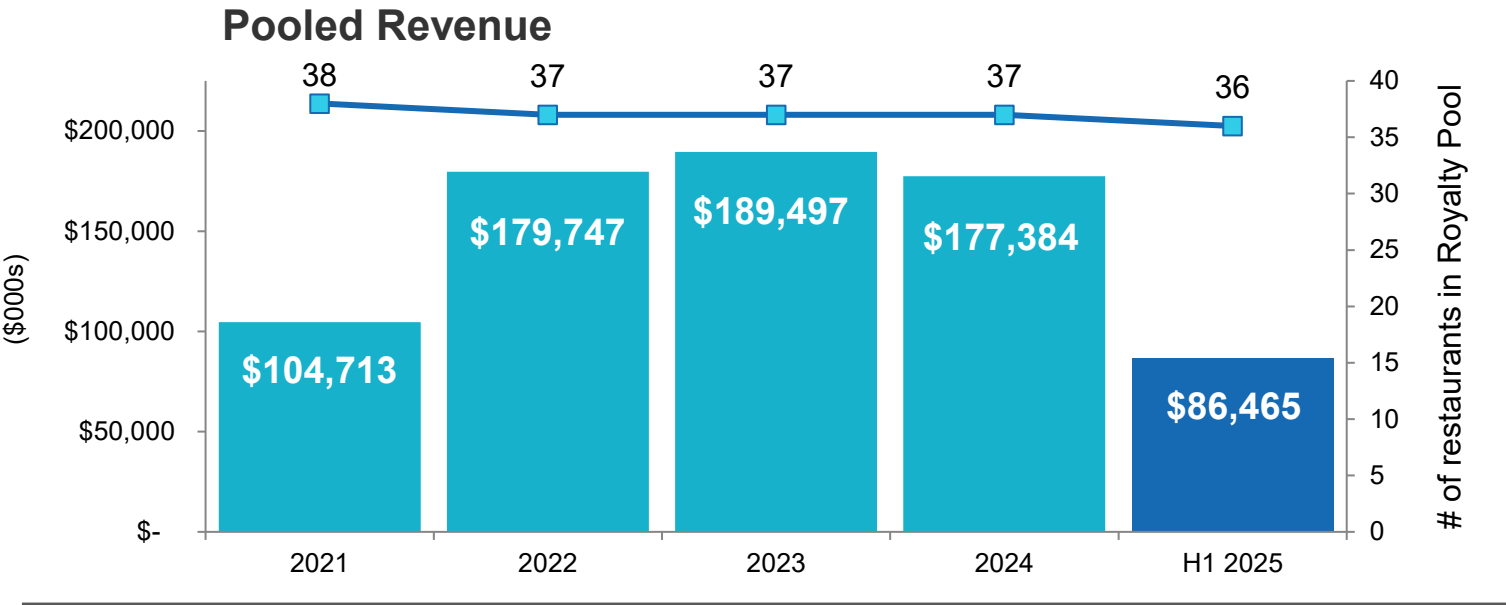
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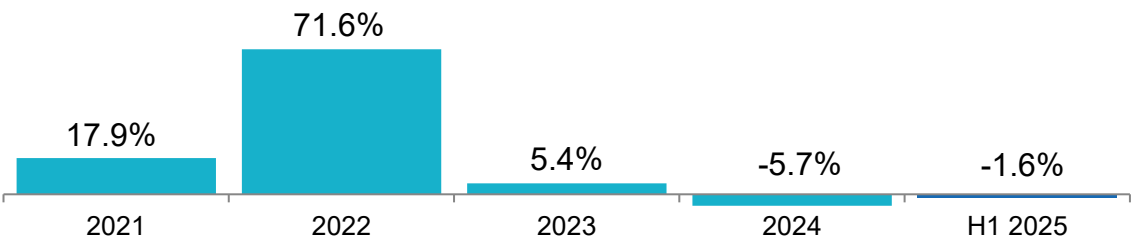
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62.8% of Royalty Pooled Revenue in H1 2025



Same Store Sales



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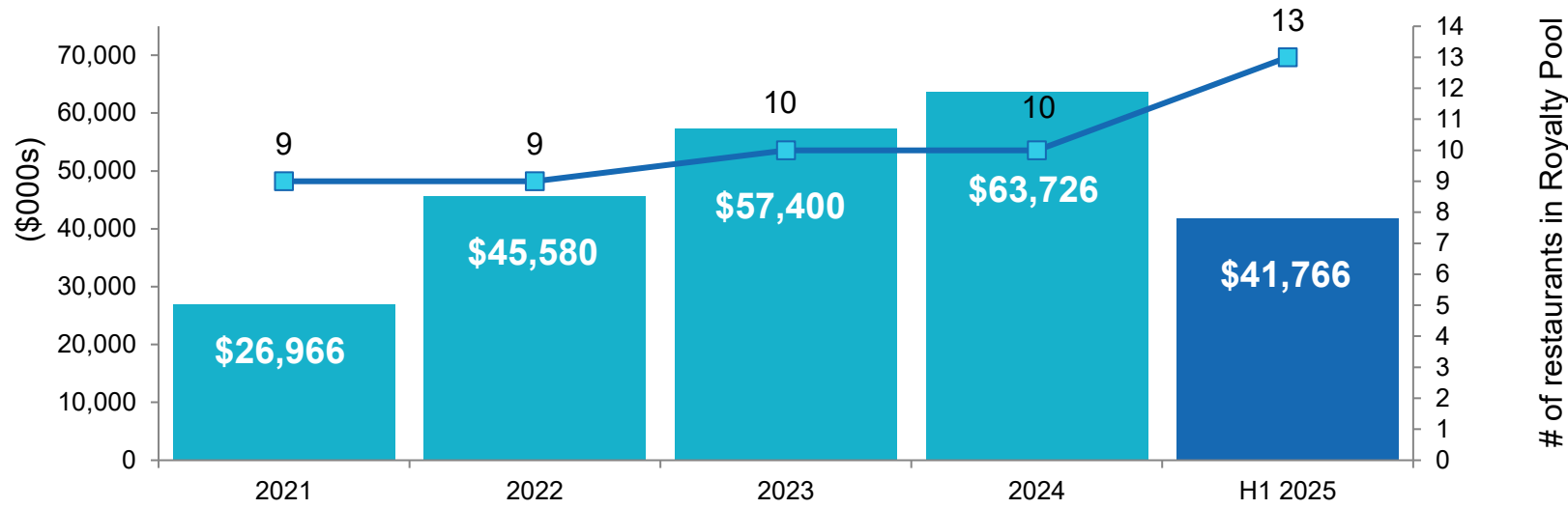
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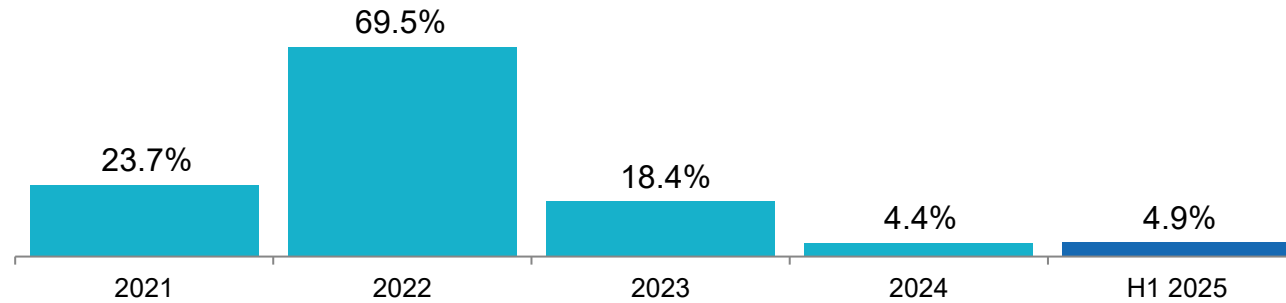
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30.3% of Royalty Pooled Revenue in H1 2025

Pooled Revenue



Same Store Sales

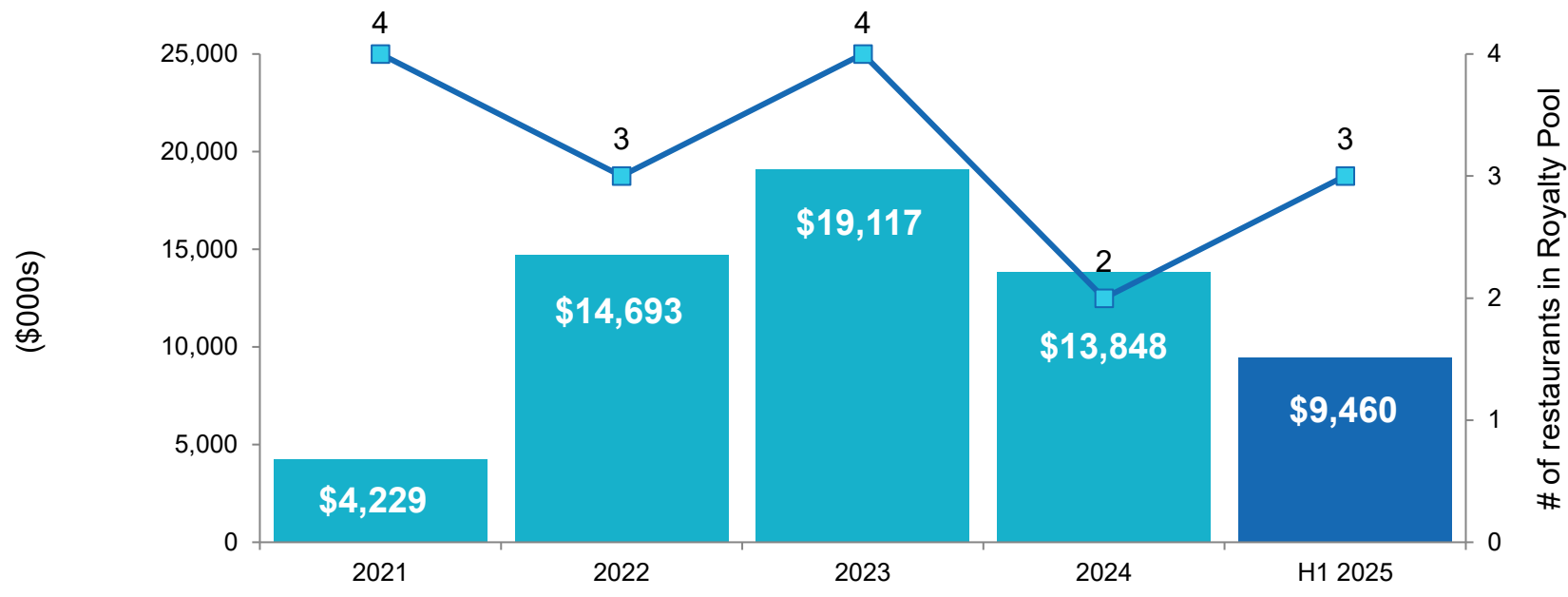




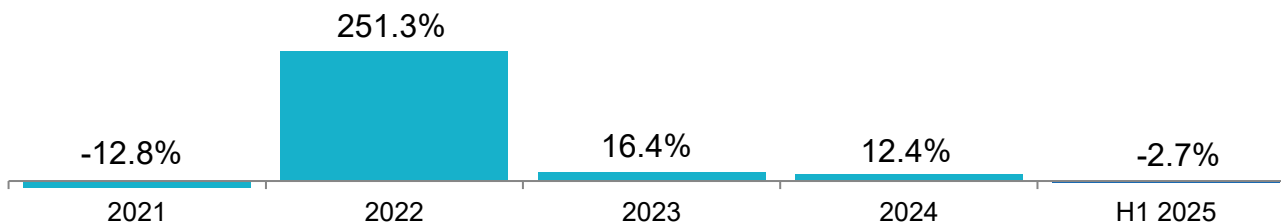
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6.9% of Royalty Pooled Revenue in H1 2025

Pooled Revenue



Same Store Sales



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Outlook

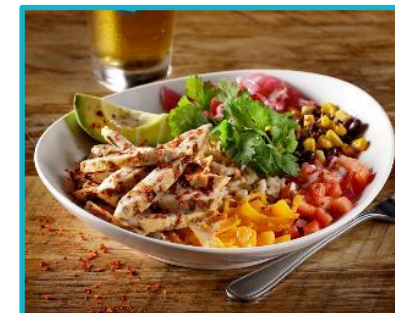
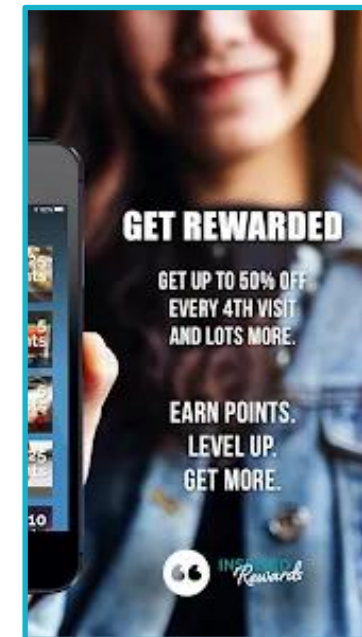


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- SIR remains focused on quality and continuous innovation, as well as service training excellence
- SIR's corporate ownership model enables rapid implementation of performance-enhancing initiatives
- **"Inspired Rewards"** has become a popular loyalty program that further enhances guests' experiences
- SIR continues to invest in new and existing restaurants to further elevate its brands and drive growth
 - 17 Jack Astor's / Reds Square One renovated since March 2022
 - Three new Scaddabush restaurants and Edna + Vita added to Royalty Pool effective January 2025
 - New Scaddabush location in Barrie, ON opened in June 2025 (expected to be added to Royalty Pool effective January 2026)
 - SIR is developing a new Jack Astor's restaurant in Oshawa, ON
- SIR has secured a **new credit agreement** with new senior lenders that provides **greater financial capacity and flexibility** to advance its growth objectives
- Distribution increase in July 2025 reflects performance of the Royalty Pooled Restaurants



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