



**SERVICE INSPIRED
RESTAURANTS**

SIR CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE 17-WEEK AND 53-WEEK PERIODS ENDED AUGUST 31, 2025

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SIR CORP.
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Executive Summary

SIR Corp.'s ("SIR" or the "Company") fourth quarter of Fiscal 2025 comprises the 17-week period from May 5, 2025 to August 31, 2025.

SIR's Fiscal 2025 year consists of 53 weeks versus 52 weeks for Fiscal 2024, and its fourth quarter of Fiscal 2025 consists of 17 weeks compared to 16 weeks for the fourth quarter of Fiscal 2024. Therefore, all revenue and expense information provided in this document for the fourth quarter of Fiscal 2025 and Fiscal 2025, unless otherwise noted, includes an additional week of operations that should be considered when comparing to prior year periods. Included in this discussion is certain unaudited financial information for Fiscal 2025 on a 52-week basis in order to assist readers in making comparisons to the prior year.

The following is a summary of operational and financial results for SIR's 17-week and 53-week periods ended August 31, 2025 ("Q4 2025" and "Fiscal 2025", respectively):

Consolidated revenue and Same Store Sales⁽¹⁾ ("SSS"):

- Food and beverage revenue from corporate restaurant operations for Q4 2025 totaled \$100.4 million, an increase of 10.8%, or \$9.8 million, compared to \$90.7 million for the 16-week period ended August 25, 2024 ("Q4 2024"). Food and beverage revenue from corporate restaurant operations for Fiscal 2025 was \$289.5 million, an increase of 6.7%, or \$18.1 million, compared to \$271.3 million for the 52-week period ended August 25, 2024 ("Fiscal 2024").
- Consolidated SSS⁽¹⁾ increased by 9.4% for Q4 2025 and 2.1% for Fiscal 2025.
- SIR's flagship Concept Restaurant brand, Jack Astor's® Bar and Grill ("Jack Astor's"), which generated approximately 64.6% of Pooled Revenue in Q4 2025, had SSS⁽¹⁾ increases of 7.4% and 0.3% for Q4 2025 and Fiscal 2025, respectively.
- Scaddabush Italian Kitchen & Bar® ("Scaddabush") had SSS⁽¹⁾ increases of 15.9% and 8.0% for Q4 2025 and Fiscal 2025, respectively.
- The Signature Restaurants had SSS⁽¹⁾ increases of 9.4% and 0.9% for Q4 2025 and Fiscal 2025, respectively.
- If the additional week of revenue was removed from revenue in Fiscal 2025, SSS⁽¹⁾ for each of the Concept and Signature Restaurants would be as follows, for Q4 2025 and Fiscal 2025, respectively: Jack Astor's 0.8% and -1.9%, Scaddabush 8.8% and 5.8%, and Signature Restaurants 1.6% and -1.4%.

Investment in new and existing restaurants, and closed restaurants

SIR's management is committed to maximizing the performance of all of its restaurants. SIR believes that investing in new restaurant development and existing store renovations is a key performance-enhancing initiative. SIR's management continues to monitor consumer confidence and economic conditions such as interest rates and consumer spending patterns. Based on the assessment of these conditions and the timing of new restaurant construction, the opening schedules of new restaurants will be reviewed regularly by SIR's management and adjusted as necessary.

As at the date of this report, SIR is developing a new Jack Astor's location on a leased property in Oshawa, Ontario, which is expected to open in December 2025, and has leased another property in Windsor, Ontario, upon which it plans to develop a new Scaddabush location. There can be no assurance at this time that the planned new restaurant in Windsor will be opened, or that either of these two new locations will become part of the Royalty Pooled Restaurants.

During Fiscal 2025, on June 25, 2025, SIR opened a new Scaddabush location in Barrie, Ontario.

(1) Same store sales ("SSS"), same store sales growth ("SSSG"), Adjusted Net Earnings (Loss), Earnings before interest, tax, depreciation, and amortization ("EBITDA"), and Adjusted EBITDA are non-GAAP financial measures and do not have standardized meanings prescribed by International Financial Reporting Standards ("IFRS"). For additional information regarding these financial measures, including full details on how these financial measures are calculated, see the "Description of Non-IFRS Measures" section of this MD&A (page 24).

During Fiscal 2024, SIR opened the following six restaurants:

- Scaddabush in Whitby, Ontario during Q1 2024 (added to the Royalty Pooled Restaurants effective January 1, 2024),
- Scaddabush in the Don Mills neighbourhood of Toronto during Q3 2024 (added to the Royalty Pooled Restaurants effective January 1, 2025),
- Scaddabush in London, Ontario during Q3 2024 (added to the Royalty Pooled Restaurants effective January 1, 2025),
- Scaddabush in Guelph, Ontario during Q4 2024 (added to the Royalty Pooled Restaurants effective January 1, 2025),
- Edna + Vita™ in downtown Toronto during Q3 2024 (added to the Royalty Pooled Restaurants effective January 1, 2025), and
- Duke's Refresher® + Bar ("Duke's Refresher") at the intersection of Queen Street East and Broadview Avenue in downtown Toronto during Q4 2024.

On September 4, 2024, SIR permanently closed the Jack Astor's restaurant located in the North York neighbourhood of Toronto. This restaurant ceased to be a Royalty Pooled Restaurant effective January 1, 2025.

On April 27, 2025, SIR permanently closed the Jack Astor's restaurant located in the Greenfield Park neighbourhood of Longueuil, Quebec. This restaurant will cease to be a Royalty Pooled Restaurant effective January 1, 2026.

Subsequent to August 31, 2025, on September 15, 2025, due to current economic conditions and the anticipated impact of a forthcoming six-month closure of Queen Street in downtown Toronto due to construction activity, SIR closed the Duke's Refresher location at the intersection of Queen Street East and Broadview Avenue.

During Fiscal 2024, SIR completed renovations to nine Jack Astor's restaurants (in London, Vaughan, Newmarket, Ottawa, Ancaster, Richmond Hill and Scarborough, Ontario, Dundas Square in Toronto and Halifax, Nova Scotia), increasing the total number of renovated Jack Astor's locations to 16 since the beginning of Fiscal 2023. SIR also completed renovations to its Reds® Square One location in Mississauga, Ontario during Q4 2023. The Company is pleased with the success of these renovations.

Subsequent to the end of Fiscal 2025, on September 1, 2025, SIR closed the Jack Astor's location in Barrie, Ontario for 30 days to complete a major renovation and train personnel on an entirely new service package, including new food and beverage menus. This renovation also included the unveiling of its new concept, Freida's Beverage Kitchen™. SIR believes that dining, at its core, is about connection – over great food, great drinks and shared experiences. Accordingly, SIR has revamped the menu so that every dish is designed for sharing, including a new pizza category, making each meal at Jack Astor's and Freida's Beverage Kitchen ("Freida's") an event to mix, match, and indulge together. SIR has developed Freida's as a place where the art of cocktail creation is crafted and celebrated through iconic categories of Margaritas, Classics, Dirty Sodas and more. Freida's is a vibrant space that blends theatre with every sip and is situated in the heart of Jack Astor's in Barrie. With the combination of Jack Astor's and Freida's, SIR is defining a new era of social dining, with two distinct identities under one roof and one shared mission – to make dining out feel alive again.

Renegade Chicken™ Trial

On January 27, 2022, SIR began offering Renegade Chicken takeout and delivery services on a trial basis operating out of certain Jack Astor's locations. Renegade Chicken offers a selection of fried chicken sandwiches, tenders, and wings, complemented by freshly cut in-house fries and targets the growing consumer demand for fried chicken within the fast-casual dining sector. SIR agreed to remit to the SIR Royalty Limited Partnership (the "Partnership") an amount equivalent to 6% of revenues earned from this trial. This program was extended on multiple occasions, with the most recent extension covering eight Jack Astor's locations occurring on August 7, 2024, thereby extending the trial period to August 31, 2025. SIR elected not to extend the Renegade Chicken trial on August 31, 2025. Renegade Chicken still operates out of the Duke's Refresher location in downtown Toronto.

Net Income (Loss) and Comprehensive Income (Loss), Adjusted Net Earnings⁽¹⁾, EBITDA⁽¹⁾, and Adjusted EBITDA⁽¹⁾

- Net income (loss) and comprehensive income (loss) was (\$19.3) million for Q4 2025, compared to \$10.0 million for Q4 2024. Net income (loss) and comprehensive income (loss) was (\$26.6) million for Fiscal 2025, compared to \$35.1 million for Fiscal 2024.
- Adjusted Net Earnings⁽¹⁾ were \$7.2 million in Q4 2025, compared to \$6.1 million in Q4 2024. Adjusted Net Earnings⁽¹⁾ were \$9.8 million in Fiscal 2025, compared to \$7.7 million in Fiscal 2024.
- EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾ in Q4 2025 totaled \$17.8 million and \$13.8 million, respectively, compared to \$15.3 million and \$14.7 million, respectively, in Q4 2024.
- EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾ in YTD 2025 totaled \$43.3 million and \$29.2 million, respectively, compared to \$38.2 million and \$29.8 million, respectively, in Fiscal 2024.

Cybersecurity Incident

On September 26, 2024, SIR experienced a cybersecurity incident that impacted a portion of its IT infrastructure. SIR immediately engaged third-party cybersecurity experts to assist with its containment, remediation and investigation efforts. Despite the related operational disruptions, guest payment platforms remained secure, and SIR continued to operate all of its restaurants. As a result of this incident, SIR experienced a decline in revenue, most notably during the 27-day period following the incident, while certain restaurant technology was being restored, as well as increased cost of operations, and other associated costs related to investigation and mitigation of loss services. SIR was able to predominantly restore operational technology and third-party delivery partner servers by October 23, 2024.

SIR submitted a business interruption claim and worked with its insurance provider to assess the coverage details and determine the appropriate compensation for the disruption. During Q4 2025, SIR received the maximum payout for first party losses of \$2.0 million under its cyber insurance policy. The approved proceeds paid to SIR were comprised of a \$0.2 million reimbursement of costs directly attributable to the cybersecurity incident and \$1.8 million toward the business interruption portion of the claim. The insurer had also previously paid directly to SIR's external IT consultants \$0.4 million of the \$0.5 million maximum for breach response costs.

SIR's New Credit Agreement and Other Loans

For more information regarding SIR's Credit Agreements, please refer to the SIR Royalty Income Fund (the "Fund") and SIR's prior interim and annual filings, including its filings on May 23, 2025, which can be found on SEDAR+ at www.sedarplus.ca under the Fund's profile.

On May 15, 2025, SIR entered into a New Credit Agreement ("New Credit Agreement") with a syndicate of two Schedule 1 Canadian chartered banks (the "Lenders") to refinance the previous credit facility. Upon refinancing, the previous credit agreement was considered an extinguishment under International Financial Reporting Standards ("IFRS"). The New Credit Agreement provides for a three-year facility for a maximum principal amount of \$68.0 million consisting of: i) a \$5.0 million revolving term credit facility (the "Operating Facility"), ii) a \$38.0 million revolving term loan (the "Term Facility") and iii) a \$25.0 million non-revolving term loan (the "Delayed Draw Facility"). The Company and the Lender have also entered into a purchase card agreement providing credit of up to an additional \$1.5 million. The Term Facility was fully drawn at closing and was used to extinguish SIR's existing senior debt. For more information on SIR's New Credit Agreement, please refer to the Liquidity and Capital Resources section on page 16.

Overview

SIR is a private company amalgamated under the Business Corporations Act of Ontario. As at August 31, 2025, SIR owned 54 Concept and Signature Restaurants in Canada (in Ontario, Quebec, Nova Scotia, and Newfoundland). The Concept Restaurants include Jack Astor's and Scaddabush. The Signature Restaurants include Reds Square One (which also operates an Abbey's Bakehouse® retail outlet), the Loose Moose Tap & Grill® (the "Loose Moose"), and Edna + Vita. SIR also owns one Duke's Refresher restaurant (currently not part of Royalty Pooled Restaurants) located in downtown Toronto, which is also considered a Signature Restaurant. SIR owns 100% of its Canadian restaurants. As at August 31, 2025, 52 SIR Restaurants were included in Royalty Pooled Restaurants, including 36 Jack Astor's locations (including the Jack Astor's location in Longueuil, Quebec that was permanently closed on April 27, 2025), 13 Scaddabush locations, Reds Square One, the Loose Moose, and Edna + Vita.

On September 26, 2019, SIR opened a Duke's Refresher in the St. Lawrence Market neighborhood of downtown Toronto. On May 22, 2024, SIR opened a Duke's Refresher at the intersection of Queen Street East and Broadview Avenue in downtown Toronto. On September 15, 2025, due to current economic conditions and the anticipated impact of a forthcoming six-month closure of Queen Street in Toronto, SIR closed this Duke's Refresher location.

SIR believes that Duke's Refresher has multi-unit growth potential and has advised the Fund that Duke's Refresher should be considered as a potential new Concept Restaurant brand. As such, the earliest that any Duke's Refresher would be added to the Royalty Pool would be the Adjustment Date following the earlier of: (i) the date that four Duke's Refresher restaurants are open for business at the same time, and (ii) 90 days following the end of the fiscal year in which revenues from all Duke's Refresher restaurants in Canada first exceed \$12.0 million (the "Trigger Event"). As neither of these events have occurred, no Duke's Refresher locations were added to the Royalty Pool on January 1, 2025. The Duke's Refresher brand is currently being managed and developed by SIR's Signature group. Accordingly, the Duke's Refresher location in downtown Toronto is classified as a Signature restaurant for SIR reporting purposes.

On October 1, 2004, the Fund filed a final prospectus for a public offering of Units of the Fund (the "Offering") and the Offering closed on October 12, 2004. The net proceeds of the Offering of \$51.2 million were used by the Fund to acquire the SIR Loan and indirectly, through the SIR Holdings Trust (the "Trust"), the SIR Rights owned or licensed by SIR or its subsidiaries and used in connection with the operation of SIR's restaurants in Canada. In 2004, the Partnership granted SIR a 99-year license to use the SIR Rights in most of Canada in consideration for a Royalty, payable by SIR to the Partnership, equal to 6% of the revenue of the Royalty Pooled Restaurants. The Partnership also issued its own securities to SIR in return for the SIR Rights acquired.

SIR's fiscal year is comprised of 52 or 53-week periods ending on the last Sunday in August. Fiscal quarters of SIR consist of sequential accounting periods of 12, 12, 12 and 16 (or 17) weeks, respectively. SIR's 2025 fiscal year contains 53 weeks (2024 – 52 weeks).

Seasonality

The full-service restaurant sector of the Canadian foodservice industry, in which SIR operates, experiences seasonal fluctuations in revenues. Favourable summer weather generally results in increased revenues during SIR's fourth quarter (ending on the last Sunday in August) when patios can be open. Certain holidays and observances also affect dining patterns both favourably and unfavourably.

Selected Consolidated Historical Financial Information

The following tables set out selected financial information of SIR for the 17-week and 53-week periods ended August 31, 2025, respectively, and the 16-week and 52-week periods ended August 25, 2024, respectively. The audited consolidated financial statements of SIR are prepared in accordance with IFRS and are presented in Canadian dollars. This information should be read in conjunction with the annual audited consolidated financial statements of SIR, including the notes thereto.

<i>Statements of Operations and Comprehensive Income (Loss)</i>	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
	(in thousands of dollars)			
Corporate restaurant operations:				
Revenue	100,662	90,856	290,283	271,965
Cost of corporate restaurant operations	84,600	77,181	252,672	238,501
Earnings from corporate restaurant operations	16,062	13,675	37,611	33,464
Net (loss) income and comprehensive (loss) income	(19,265)	10,009	(26,621)	35,108
Adjusted Net Earnings⁽¹⁾	7,172	6,079	9,818	7,672

Statement of Financial Position

	August 31, 2025	August 25, 2024
	(in thousands of dollars)	
Total assets	130,487	136,522
Total non-current liabilities	249,481	221,627

Adjusted Net Earnings (Loss)⁽¹⁾, EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾

Adjusted Net Earnings (Loss)⁽¹⁾, EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾ are financial measures that do not have standardized meanings prescribed by IFRS. They are used by SIR to supplement its reporting of net income (loss) and comprehensive income (loss) and net cash flow. Adjusted Net Earnings (Loss)⁽¹⁾ consist of net income (loss) and comprehensive income (loss) excluding the change in amortized cost of Ordinary LP Units and Class A LP Units of the Partnership. EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾ consist of net income (loss) and comprehensive income (loss) excluding certain non-cash expenses and other expenses that SIR considers not to be of an operating nature. SIR believes that Adjusted Net Earnings (Loss)⁽¹⁾, EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾ are useful measures of the core business' contribution to cash flow from operations and uses these measures as a supplemental measure of SIR's performance. Similarly, SIR believes that certain investors may also find these non-GAAP financial measures to be useful for their independent evaluation of SIR's performance.

The following table reconciles net income (loss) and comprehensive income (loss) for the 17-week and 53-week periods ended August 31, 2025 and the 16-week and 52-week periods ended August 25, 2024 to Adjusted Net Earnings⁽¹⁾:

	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
	(in thousands of dollars)			
Net (loss) income and comprehensive (loss) income for the period	(19,265)	10,009	(26,621)	35,108
Change in amortized cost of Ordinary LP Units and Class A LP Units of the Partnership	26,437	(3,930)	36,439	(27,436)
Adjusted Net Earnings⁽¹⁾	7,172	6,079	9,818	7,672

The following table reconciles net income (loss) and comprehensive income (loss) for the 17-week and 53-week periods ended August 31, 2025 and the 16-week and 52-week periods ended August 25, 2024 to EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾:

	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
	(in thousands of dollars)			
	(unaudited)		(audited)	
Net (loss) income and comprehensive (loss) income for the period	(19,265)	10,059	(26,621)	35,108
Add (deduct):				
Provision for income taxes	12	-	42	-
Interest expense	966	1,088	3,213	2,807
Interest on lease obligations	923	987	3,838	4,042
Interest on loan payable to SIR Royalty Income Fund	1,382	936	3,520	3,066
Depreciation and amortization	7,312	6,199	22,867	20,607
Change in amortized cost of Ordinary LP Units and Class A LP Units of the Partnership	26,437	(3,930)	36,439	(27,436)
EBITDA⁽¹⁾	17,767	15,289	43,298	38,194
Interest and other income – net	(277)	137	274	259
(Recovery) impairment of financial assets	197	(385)	221	(355)
Impairment of goodwill	358	-	358	-
Loss on disposal of property and equipment	696	3,509	1,247	4,597
Cash rent	(5,527)	(4,819)	(17,144)	(16,080)
Preopening costs	620	982	939	3,218
Adjusted EBITDA⁽¹⁾	13,834	14,713	29,193	29,833
Income from Class A & B GP Units of the Partnership ⁽²⁾ (Not included in EBITDA ⁽¹⁾ and Adjusted EBITDA ⁽¹⁾ above)	840	500	2,223	1,621
6% Royalty obligations under License and Royalty Agreement ⁽³⁾	5,803	4,993	16,433	15,448

(2) Includes the special conversion distribution paid to Class B GP Unitholders or the special conversion refund to Class A GP Unitholders declared in December of each year, if any.

(3) See the SIR Royalty Income Fund section of this document for the Royalty calculation. Pooled Revenue includes revenue from all restaurants included in Royalty Pooled Restaurants. On January 1st of each year, New Additional Restaurants are added, and New Closed Restaurants are removed from Royalty Pooled Restaurants. Royalty obligations equal 6% of Pooled Revenue.

Results of Operations

	17-Week Period Ended	16-Week Period Ended	53-Week Period Ended	52-Week Period Ended
	August 31, 2025	August 25, 2024	August 31, 2025	August 25, 2024
(in thousands of dollars)				
	(unaudited)		(audited)	
Reconciliation of Revenue from Consolidated Financial Statements to Pooled Revenue				
Food and beverage revenue reported in consolidated financial statements	100,427	90,665	289,482	271,342
Less: Revenue from corporate restaurant operations excluded from the Royalty pool	(3,698)	(7,454)	(15,591)	(13,877)
Revenue for Restaurants in Royalty pool (Pooled Revenue)	96,729	83,211	273,891	257,465

	17-Week Period Ended	16-Week Period Ended	53-Week Period Ended	52-Week Period Ended
	August 31, 2025	August 25, 2024	August 31, 2025	August 25, 2024
(in thousands of dollars)				
	(unaudited)		(audited)	
Reconciliation of Revenue from Consolidated Financial Statements to Same Store Sales ⁽¹⁾				
Food and beverage revenue reported in consolidated financial statements	100,427	90,665	289,482	271,342
Less: Revenue from corporate restaurant operations excluded from Same Store Sales ⁽¹⁾	(12,399)	(10,223)	(35,444)	(22,521)
Same Store Sales ⁽¹⁾	88,028	80,442	254,038	248,821

	17-Week Period Ended	16-Week Period Ended		53-Week Period Ended	52-Week Period Ended	
	August 31, 2025	August 25, 2024	% Fav./ (Unfav.)*	August 31, 2025	August 25, 2024	% Fav./ (Unfav.)*
(in thousands of dollars)						
Same Store Sales ⁽¹⁾ Performance						
Jack Astor's	61,186	56,994	7.4%	175,043	174,569	0.3%
Scaddabush	21,266	18,349	15.9%	61,648	57,065	8.0%
Signature Restaurants	5,576	5,099	9.4%	17,347	17,187	0.9%
Same Store Sales ⁽¹⁾	88,028	80,442	9.4%	254,038	248,821	2.1%

*This percentage is not adjusted to remove the impact of the additional week of revenue in Fiscal 2025.

Disaggregated food and beverage revenue by Concept	17-Week	16-Week	53-Week	52-Week
	Period Ended	Period Ended	Period Ended	Period Ended
	August 31, 2025	August 25, 2024	August 31, 2025	August 25, 2024
	(in thousands of dollars)			
	(unaudited)		(audited)	
Jack Astor's	61,186	58,983	176,900	180,429
Scaddabush	31,258	24,602	88,201	69,296
Signature Restaurants	7,973	6,925	24,346	21,442
Other	10	154	35	174
	100,427	90,665	289,482	271,342

Summary of Quarterly Results

Statements of Operations	4 th Quarter Ended	3 rd Quarter Ended	2 nd Quarter Ended	1 st Quarter Ended	4 th Quarter Ended	3 rd Quarter Ended	2 nd Quarter Ended	1 st Quarter Ended
	August 31, 2025	May 4, 2025	February 8, 2025	November 17, 2024	August 25, 2024	May 5, 2024	February 11, 2024	November 19, 2023
	(17 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(16 weeks)	(12 weeks)	(12 weeks)	(12 weeks)
	(in thousands of dollars)							
	(unaudited)							
Corporate Restaurant Operations								
Revenue	100,662	65,042	65,742	58,837	90,856	62,179	59,485	59,445
Cost of corporate restaurant operations	84,600	55,717	57,658	54,697	77,181	55,794	52,694	52,832
Earnings from corporate restaurant operations	16,062	9,325	8,084	4,140	13,675	6,385	6,791	6,613
Net (loss) income and comprehensive (loss) income	(19,265)	(413)	(1,644)	(5,299)	10,009	32,971	(2,265)	(5,607)
Adjusted Net Earnings (Loss) ⁽¹⁾	7,172	2,538	1,703	(1,595)	6,079	657	603	333

The following table reconciles net income (loss) and comprehensive income (loss) for the quarters to Adjusted Net Earnings⁽¹⁾:

	4 th Quarter Ended	3 rd Quarter Ended	2 nd Quarter Ended	1 st Quarter Ended	4 th Quarter Ended	3 rd Quarter Ended	2 nd Quarter Ended	1 st Quarter Ended
	August 31, 2025	May 4, 2025	February 9, 2025	November 17, 2024	August 25, 2024	May 5, 2024	February 11, 2024	November 19, 2023
	(17 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(16 weeks)	(12 weeks)	(12 weeks)	(12 weeks)
	(in thousands of dollars)							
	(unaudited)							
Net (loss) income and comprehensive (loss) income	(19,265)	(413)	(1,644)	(5,299)	10,009	32,971	(2,265)	(5,607)
Change in amortized cost of the Ordinary LP Units and Class A LP Units of the Partnership	26,437	2,951	3,347	(3,704)	(3,930)	(32,314)	2,868	5,940
Adjusted Net Earnings (Loss) ⁽¹⁾	7,172	2,538	1,703	(1,595)	6,079	657	603	333

Selected Consolidated Statement of Cash Flows Information:

	4 th Quarter Ended August 31, 2025 (17 weeks)	3 rd Quarter Ended May 4, 2025 (12 weeks)	2 nd Quarter Ended February 9, 2025 (12 weeks)	1 st Quarter Ended November 17, 2024 (12 weeks)	4 th Quarter Ended August 25, 2024 (16 weeks)	3 rd Quarter Ended May 5, 2024 (12 weeks)	2 nd Quarter Ended February 11, 2024 (12 weeks)	1 st Quarter Ended November 19, 2023 (12 weeks)
	(in thousands of dollars) (unaudited)							
Cash provided by operations	20,141	10,964	3,505	2,917	18,887	6,401	1,773	4,449
Cash used in investing activities	(4,223)	(1,214)	(1,072)	(3,701)	(8,043)	(5,986)	(4,339)	(5,627)
Cash (used in) provided by financing activities	(6,887)	(7,734)	(2,590)	(3,127)	(5,901)	(786)	899	(3,508)
 Increase (decrease) in cash during the period	 9,031	 2,016	 (157)	 (3,911)	 4,943	 (371)	 (1,667)	 (4,686)
Cash – Beginning of period	4,398	2,382	2,539	6,450	1,507	1,878	3,545	8,231
Cash – End of period	13,429	4,398	2,382	2,539	6,450	1,507	1,878	3,545

Revenue

There are a number of references to different revenue groupings used in the annual consolidated financial statements, the notes to the annual consolidated financial statements and this MD&A. The following definitions are provided for greater clarification of these groupings:

- i. Revenue (per the SIR annual consolidated statements of operations and comprehensive income (loss)) – this is the total consolidated revenue of all SIR restaurants, including sales of packaged food and beverage products to third-party retailers and gift card related revenues for the period, as well as Abbey's Bakehouse. SIR continues to operate an Abbey's Bakehouse retail outlet out of Reds Square One in Mississauga, Ontario. Abbey's Bakehouse in Muskoka was also in operation during Q4 2025. For the 17-week and 53-week periods ended August 31, 2025, revenue was \$100.7 million and \$290.3 million, respectively.
- ii. Same Store Sales⁽¹⁾ ("SSS") – this is a subset of revenue used for tracking comparable year-over-year sales. For Q4 2025 and Fiscal 2025, SSS⁽¹⁾ includes all SIR restaurants, except for those restaurants that were not open for the entire comparable periods in Fiscal 2025 and Fiscal 2024, and Abbey's Bakehouse as it is not a SIR restaurant. Accordingly, SSS⁽¹⁾ performance for Q4 2025 and Fiscal 2025 does not include the five new Scaddabush restaurants located in Whitby, Guelph, London, and Barrie, Ontario and in the Don Mills neighbourhood of Toronto, as well as Edna + Vita and the Duke's Refresher at the intersection of Queen Street East and Broadview Avenue (now closed), since they were not open for both comparable periods in Fiscal 2025 and Fiscal 2024. For the 17-week and 53-week periods ended August 31, 2025, SSS⁽¹⁾ totaled \$88.0 million and \$254.0 million, respectively.
- iii. Pooled Revenue – this is the revenue subject to the License and Royalty Agreement – this includes revenue from all Royalty Pooled Restaurants. The Royalty Pooled Restaurants are adjusted on January 1st of each year for New Additional Restaurants and/or New Closed Restaurants. As at August 31, 2025, there were 52 Royalty Pooled Restaurants. For Q4 2025 and Fiscal 2025, Pooled Revenue was \$96.7 million and \$273.9 million, respectively. The applicable Royalty payable to the Partnership on the Pooled Revenue for these periods was \$5.8 million and \$16.4 million, respectively.

Same Store Sales⁽¹⁾

SSS⁽¹⁾ are typically impacted by changes in guest traffic and average cheque amount. SIR believes that current macroeconomic factors such as inflation and interest rate uncertainty are having a negative impact on consumer discretionary spending. SIR continues to innovate and provide immersive new product and service offerings to increase dine-in guest visits to its restaurants and to capitalize on the increased popularity of take-out and delivery services in commercial foodservice.

SIR had overall SSS⁽¹⁾ increases of 9.4% and 2.1% for Q4 2025 and Fiscal 2025, respectively. If the additional week of revenue is removed from revenue in Fiscal 2025, the SSS⁽¹⁾ increase would be 2.7% for Q4 2025 and the SSS⁽¹⁾ decrease for Fiscal 2025 would be 0.1%. The increase in Q4 2025 was primarily attributable to favourable weather conditions for patio dining compared to the same period in the prior year. The SSS⁽¹⁾ increase in Fiscal 2025 reflects strong SSS⁽¹⁾ for Scaddabush,

along with price increases across SIR's network, partially offset by SSS⁽¹⁾ declines for Jack Astor's and the Signature restaurants, and the impact of the cybersecurity incident during the first quarter ended November 17, 2024 ("Q1 2025"). SIR believes that macroeconomic factors, as discussed above, contributed to the decline in SSS⁽¹⁾ for Jack Astor's and the Signature restaurants. During the 27-day period in which the cybersecurity incident impacted SIR's restaurant network, SIR restaurants were unable to access third-party delivery partner platforms, in addition to SIR's online application, *Inspired Rewards*[®], resulting in nil sales via these revenue streams.

Jack Astor's, SIR's flagship Concept Restaurant brand, which contributed approximately 64.6% of Q4 2025 Pooled Revenue, had SSS⁽¹⁾ increases of 7.4% and 0.3% for Q4 2025 and Fiscal 2025, respectively. Removing the additional week of revenue from Fiscal 2025, the SSS⁽¹⁾ increase would be 0.8% for Q4 2025 and the SSS⁽¹⁾ decline would be 1.9% for Fiscal 2025. This decline is mainly attributed to the negative impact of the cybersecurity incident in Q1 2025. All 35 Jack Astor's locations currently in operation are included in the calculation of SSS⁽¹⁾ performance for Q4 2025 and Fiscal 2025. As discussed above, Jack Astor's SSS⁽¹⁾ for Q4 2025 and Fiscal 2025 were positively impacted by increased guest counts due to the aforementioned favourable weather conditions and increased pricing. However, Jack Astor's SSS⁽¹⁾ continue to be impacted by declines in delivery sales and dine-in guest traffic, which SIR management believes is partially attributable to macroeconomic factors such as inflation and interest rate uncertainty and their impact on consumer discretionary spending, particularly related to the younger demographic of Jack Astor's customer base.

Scaddabush SSS⁽¹⁾ performance for Q4 2025 and Fiscal 2025 includes nine out of the 14 locations currently in operation. The Scaddabush locations in Whitby, London, Guelph, and Barrie, Ontario, and the Don Mills neighborhood of Toronto are excluded from the calculation of SSS⁽¹⁾ in Q4 2025 and Fiscal 2025 as they were not open for the entire comparable periods in Fiscal 2025 and Fiscal 2024. Scaddabush had SSS⁽¹⁾ increases of 15.9% and 8.0% for Q4 2025 and Fiscal 2025, respectively, reflecting the continued popularity of this brand and increased pricing. Removing the additional week of revenue from Fiscal 2025, the SSS⁽¹⁾ increases would be 8.8% and 5.8% for Q4 2025 and Fiscal 2025, respectively. Scaddabush Fiscal 2025 SSS⁽¹⁾ were negatively impacted by the cybersecurity incident during Q1 2025.

The Signature Restaurants SSS⁽¹⁾ performance for Q4 2025 and Fiscal 2025 includes three restaurants (Reds Square One, the Loose Moose Tap + Grill, and Duke's Refresher in the St. Lawrence Market neighbourhood of downtown Toronto). The Signature Restaurants generated SSS⁽¹⁾ increases of 9.4% and 0.9% for Q4 2025 and Fiscal 2025, respectively. The SSS⁽¹⁾ increase for Q4 2025 and Fiscal 2025 was primarily attributable to increased guest counts due to favourable weather conditions, as well as price increases. However, the Signature Restaurants did experience declines in guest traffic which management believes is partially attributable to macroeconomic factors, as discussed above. Removing the additional week of revenue from Fiscal 2025, the Signature restaurants' SSS⁽¹⁾ growth would be 1.6% for Q4 2025 and a SSS⁽¹⁾ decline of 1.4% for Fiscal 2025. The negative impact of the cybersecurity event in Q1 2025 is the primary factor in the Fiscal 2025 SSS⁽¹⁾ decline when the additional week of revenue is removed.

Cost of Corporate Restaurant Operations

Cost of corporate restaurant operations totaled \$84.6 million, or 84.0% of revenue, in Q4 2025 and \$252.7 million, or 87.0% of revenue, for Fiscal 2025, compared to \$77.2 million, or 84.9% of revenue, in Q4 2024 and \$238.5 million, or 87.7% of revenue, for Fiscal 2024. The decreases in Q4 2025 and Fiscal 2025 as a percentage of revenue reflect the realization of revenue from the new SIR restaurant opened during Fiscal 2025. SIR opened five new restaurants during Fiscal 2024 incurring significant expenses prior to each new opening along with higher labour and food and beverage costs for the first few months post-opening. These labour and food and beverage costs decrease as staff become more efficient in their new roles. In contrast, during Q4 2025 and Fiscal 2025, these new restaurants were fully operational, thereby lowering the ratio of cost of corporate restaurant operations to revenue. The increased total cost of corporate restaurant operations in Q4 2025 and Fiscal 2025 compared to the corresponding prior year periods reflect the full year impact of the five new restaurants opened in Fiscal 2024 and one additional restaurant opened in Fiscal 2025.

Corporate Costs

Corporate costs were \$5.9 million and \$16.9 million for Q4 2025 and Fiscal 2025, respectively, compared to \$4.4 million and \$15.6 million for Q4 2024 and Fiscal 2024, respectively. The increases in both Q4 2025 and Fiscal 2025 are attributable to higher compensation costs related to the recognition of \$2.1 million in stock compensation expense for vested stock options granted to Board members and certain SIR executives.

Interest Expense

Interest expense for Q4 2025 and Fiscal 2025 was \$1.0 million and \$3.2 million, respectively, compared to \$1.1 million and \$2.8 million for Q4 2024 and Fiscal 2024, respectively. The decrease in Q4 2025 reflects lower interest rates related to the New Credit Agreement. In Fiscal 2025, the increase is primarily related to interest on the shareholder loan not incurred in Fiscal 2024, an increase in the amortization of deferred financing fees, and an increase the present value of future asset retirement costs compared to the prior fiscal year.

SIR Loan, Fund's Interest in the Partnership & Change in Amortized Cost of Ordinary LP and Class A LP Units

On October 12, 2004, the Fund completed its initial public offering and used the proceeds to acquire the SIR Loan and invest in the Ordinary LP Units of the Partnership. The Fund has also acquired Class A LP Units upon SIR's conversion of its Class A GP Units into Fund units (see the Liquidity and Capital Resources section). In accordance with IFRS, SIR has consolidated the Partnership. The Ordinary LP Units and Class A LP Units of the Partnership, which are held by the Fund, require SIR to pay distributions to the Fund when declared by the board of directors of SIR GP Inc. SIR GP Inc. is controlled by the Fund and, accordingly, SIR is unable to control the declaration of these distributions. As a result, the Ordinary LP Units and Class A LP Units of the Partnership have been classified as a financial liability in the consolidated statements of financial position. The Ordinary LP Units and Class A LP Units were initially recorded at fair value and subsequently at amortized cost, which requires updating the carrying amount of the financial liability to reflect actual and revised estimates in cash flows. The changes in the estimated cash flows are derived from changes in the value of the underlying Fund units adjusted for taxes and the SIR Loan.

Changes in amortized cost are recognized in the annual consolidated statements of operations and comprehensive income (loss). The change in the amortized cost is a non-cash transaction and accordingly, has no impact on cash flows. For Q4 2025 and Fiscal 2025, the change in amortized cost resulted in expenses of \$26.4 million and \$36.4 million, respectively, reflecting increases in the underlying Fund unit price compared to the end of Q3 2025 and Fiscal 2024, respectively. For Q4 2024 and Fiscal 2024, the change in amortized cost resulted in income of \$3.9 million and \$27.4 million, respectively, reflecting a decrease in the underlying Fund unit price compared to the end of Q3 2024 and Fiscal 2023, respectively.

Interest on the SIR Loan totaled \$1.4 million and \$3.5 million for Q4 2025 and Fiscal 2025, respectively, compared to \$0.9 million and \$3.1 million for Q4 2024 and Fiscal 2024, respectively.

Net Income (Loss) and Comprehensive Income (Loss), and Adjusted Net Earnings

Net income (loss) and comprehensive income (loss) was (\$19.3) million for Q4 2025, compared to \$10.0 million for Q4 2024. Net income (loss) and comprehensive income (loss) was (\$26.6) million for Fiscal 2025, compared to \$35.1 million for Fiscal 2024. The negative variances reflect changes in the amortized cost of the Ordinary LP Units and Class A Units of the SIR Royalty Limited Partnership that SIR holds. This resulted in expenses of \$26.4 million in Q4 2025 and \$36.4 million in Fiscal 2025, compared to income of \$3.9 million in Q4 2024 and \$27.4 million in Fiscal 2024. These non-cash changes in Q4 2025 and Fiscal 2025 are due to changes in the underlying unit price of the Fund compared to the end of Q3 2025 and Fiscal 2024, respectively.

Adjusted Net Earnings⁽¹⁾ were \$7.2 million in Q4 2025 compared to \$6.1 million in Q4 2024. Adjusted Net Earnings⁽¹⁾ for Fiscal 2025 were \$9.8 million compared to \$7.7 million in Fiscal 2024. The increase in Q4 2025 is primarily attributable to a \$1.0 million increase in earnings before interest and income taxes and a \$0.4 million decrease in other expenses, partially offset by a \$0.3 million increase in interest expenses. The increase in Fiscal 2025 is primarily attributable to a \$2.9 million increase in earnings before interest and income taxes, partially offset by a \$0.7 million increase in interest expenses.

EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾

EBITDA⁽¹⁾ totaled \$17.8 million and \$43.3 million for Q4 2025 and Fiscal 2025, respectively, compared to \$15.3 million and \$38.2 million for Q4 2024 and Fiscal 2024, respectively. The increases in Q4 2025 and Fiscal 2025 were primarily attributable to the year-over-year increases in earnings before interest and income taxes, as discussed above.

Adjusted EBITDA⁽¹⁾ totaled \$13.8 million and \$29.2 million for Q4 2025 and Fiscal 2025, respectively, compared to \$14.7 million and \$29.8 million for Q4 2024 and Fiscal 2024, respectively. (See Selected Consolidated Historical Financial Information – Reconciliation of net income (loss) and comprehensive income (loss) for the period to EBITDA⁽¹⁾ and Adjusted EBITDA⁽¹⁾).

SIR Royalty Income Fund

The following is a summary of the accounting implications of the SIR Loan and the Fund's interest in the Partnership:

(a) SIR Loan

The \$40.0 million SIR Loan is payable to the Fund, bears interest at 7.5% per annum, and is due October 12, 2044. On July 6, 2015, SIR, the Fund and the Partnership entered into an Interlender Agreement to subordinate and postpone their claims against SIR in favour of the lender. The Fund and the Partnership have not guaranteed the current credit facility (see Liquidity and Capital Resources section).

The debt is "permitted indebtedness" within the meaning of the agreements between the Fund, the Partnership and

SIR, and as a result the Fund and the Partnership have, as contemplated in the existing agreements, subordinated and postponed their claims against SIR to the claims of the lender. This subordination, which includes a subordination of the Partnership's rights under the License and Royalty Agreement between the Partnership and SIR whereby the Partnership licenses to SIR the right to use the trademarks and related intellectual property in return for Royalty payments based on revenues, has been effected pursuant to the terms of the Intercreditor Agreement.

Under the Intercreditor Agreement, absent any default or event of default under the Credit Agreement, ordinary payments to the Fund and the Partnership can continue and the Partnership can exercise any and all of its rights to preserve the trademarks and related intellectual property governed by the License and Royalty Agreement. However, if a default or an event of default were to occur, the Fund and the Partnership agree not to take action on their security until the lender has been repaid in full. However, payments by SIR, to the Fund and the Partnership, will be permitted for such amounts as are required to fund their monthly operating expenses, up to an annual limit. In addition, the Fund, the Partnership and SIR will have the right, acting cooperatively, to reduce payments of Royalties and/or interest on the SIR Loan by up to 50% without triggering a cross default under the Credit Agreement, for a period of up to nine consecutive months. SIR and each obligor provided an undertaking to cooperate and explore all options with the Fund to maximize value to the Fund's unitholders and SIR and its shareholders in exchange for the Subordinating Parties not demanding repayment or enforcing security as a result of any such Related Party Obligation Default. The Intercreditor Agreement also contains various other typical covenants of the Fund and the Partnership.

Interest expense on the SIR Loan was charged to the annual consolidated statements of operations and comprehensive income (loss) in the amounts of \$1.4 million and \$3.5 million for Q4 2025 and Fiscal 2025, respectively and \$0.9 million and \$3.1 million for Q4 2024 and Fiscal 2024, respectively.

SIR has the right to require the Fund to, indirectly, purchase their Class C GP Units and assume a portion of the SIR Loan as consideration for the acquisition of the Class C GP Units.

(b) Ordinary LP Units and Class A LP Units of SIR Royalty Limited Partnership

	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
	(in thousands of dollars)			
	(unaudited)		(audited)	
Balance – Beginning of the period (as previously reported and revised)	108,977	109,722	107,022	141,609
Revision	-	3,729	-	3,729
Balance – Beginning of the period (revised)	108,977	113,451	107,022	145,388
Change in amortized cost of the Ordinary LP Units and Class A LP Units of the Partnership	26,437	(3,930)	36,439	(27,436)
Distributions paid to Ordinary LP and Class A LP unitholders	(3,445)	(2,499)	(11,492)	(10,880)
Balance – End of period	131,969	107,022	131,969	107,022
Less: Current portion of Ordinary LP Units and Class A LP Units of the Partnership	(10,674)	(9,991)	(10,674)	(9,991)
Ordinary LP Units and Class A LP Units of the Partnership	121,295	97,031	121,295	97,031

The following is a summary of the results of the operations of the Partnership:

	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
	(in thousands of dollars) (unaudited)			
Pooled Revenue ⁽⁴⁾	96,729	83,211	273,891	257,463
Partnership royalty income ⁽⁵⁾	5,803	4,993	16,433	15,448
Other Income (expense)	(33)	7	(9)	24
Partnership expenses	(38)	(4)	(108)	(103)
Net earnings of the Partnership	5,732	4,996	16,316	15,369
SIR's residual interest in the earnings of the Partnership:				
Income from Class A & B GP Units of the Partnership	(840)	(500)	(2,223)	(1,621)
Income from Class C GP Units of the Partnership	(967)	(912)	(3,048)	(2,984)
	(1,807)	(1,412)	(5,271)	(4,605)
Fund's interest in the earnings of the Partnership	3,925	3,584	11,045	10,764

On October 12, 2004, the Partnership issued Ordinary LP and GP Units to the Fund for cash consideration of \$11.2 million. The Fund has also acquired Class A LP Units upon SIR's conversion of its Class A GP Units into Fund units. The holders of the Ordinary LP Units and Class A LP Units are entitled to receive their pro rata share of all residual distributions of the Partnership. The distributions are declared by the board of directors of SIR GP Inc., which is controlled by the Fund. Accordingly, the Ordinary LP Units and Class A LP Units of the Partnership have been classified as a financial liability in the consolidated statements of financial position. The Ordinary LP Units and Class A LP Units of the Partnership are accounted for at amortized cost, with changes in the carrying value recorded in the annual consolidated statements of operations and comprehensive income (loss).

SIR, as the holder of the Class A GP Units, is entitled to receive their pro rata share of all residual distributions of the Partnership and the Class A GP Units are exchangeable into units of the Fund.

In 2004, the Partnership granted SIR a 99-year license to use the SIR Rights in most of Canada in consideration for a Royalty, payable by SIR to the Partnership, equal to 6% of the revenue of the Royalty Pooled Restaurants (the "License and Royalty Agreement"). Under the terms of the License and Royalty Agreement, on January 1 of each year (the "Adjustment Date"), the restaurants subject to the License and Royalty Agreement are adjusted for new SIR Restaurants opened for at least 60 days preceding such Adjustment Date. At each Adjustment Date, SIR will be entitled to convert its Class B GP Units to Class A GP Units based on the formula defined in the Partnership Agreement. Additional Class B GP Units may be converted to Class A GP Units in respect of these new SIR Restaurants if actual revenues of the new SIR Restaurants exceeded 80% of the initial estimated revenues and the formula defined in the Partnership Agreement. Conversely, converted Class A GP Units will be returned by SIR if the actual revenues of the new SIR Restaurants are less than 80% of the initial estimated revenues. In December of each year, an additional distribution will be payable to the Class B GP unitholders based on actual revenues of the new SIR Restaurants exceeding 80% of the initial estimated revenues or there will be a reduction in the distributions to the Class A GP unitholders if revenues are less than 80% of the initial estimated revenues.

On January 1, 2025, four new SIR Restaurant were added (January 1, 2024 – one) to the Royalty Pooled Restaurants in accordance with the Partnership Agreement. As consideration for the additional Royalty associated with the addition of four new SIR Restaurants on January 1, 2025 (January 1, 2024 – one) as well as the Second Incremental Adjustment for the

(4) Includes revenue from the SIR Restaurants subject to the License and Royalty Agreement. The Partnership owns the SIR Rights formerly owned or licensed by SIR or its subsidiaries and used in connection with the operation of the majority of SIR's restaurants in Canada.

(5) Partnership royalty income is 6% of Pooled Revenue in accordance with the License and Royalty Agreement.

one new SIR Restaurant added to Royalty Pooled Restaurants on January 1, 2024 (January 1, 2023 – two), SIR converted its Class B GP Units into Class A GP Units based on the formula defined in the Partnership Agreement. In addition, there was a re-conversion of Class A GP Units into Class B GP Units for the permanent closure of one (January 1, 2024 – three) SIR Restaurant during 2024. The net effect of these adjustments to Royalty Pooled Restaurants was that SIR converted 581,312 Class B GP Units into 581,312 Class A GP Units on January 1, 2025 (January 1, 2024 – SIR converted 212,825 Class A GP Units into Class B GP Units), increasing the value of the SIR Rights by \$7.1 million (January 1, 2024 – decreasing the value of the SIR rights by \$1.6 million).

In addition, the revenues of the one (January 1, 2023 – two) new SIR Restaurant added to Royalty Pooled Restaurants on January 1, 2024 were greater than 80% of the Initial Adjustment's estimated revenue and, as a result, the distributions of the Class A GP Units were increased by a special conversion distribution of \$0.04 million in December 2024 and paid in January 2025 (January 1, 2023 - the revenues of the two new SIR Restaurants were less than 80% of the Initial Adjustment's estimated revenue and, as a result, the distributions of the Class A GP Units were reduced by a special conversion refund of \$0.05 million in December 2023 and paid in February 2024).

SIR's residual interest in the Partnership is 15.78% as at August 31, 2025 (August 25, 2024 – 10.55%).

(c) *Amounts due to the Fund* – (see Transactions with the SIR Royalty Income Fund in the Transactions with Related Parties section).

Liquidity and Capital Resources

Selected Consolidated Statement of Cash Flows Information

	17-Week Period Ended	16-Week Period Ended	53-Week Period Ended	52-Week Period Ended
	August 31, 2025	August 25, 2024	August 31, 2025	August 25, 2024
	(in thousands of dollars)			
	(unaudited)		(audited)	
Cash provided by operations	20,141	19,030	37,527	31,653
Cash used in investing activities	(4,223)	(8,043)	(10,210)	(23,995)
Cash used in financing activities	(6,887)	(6,044)	(20,338)	(9,439)
Increase/(Decrease) in cash during the period	9,031	4,943	6,979	(1,781)
Cash – Beginning of period*	4,398	1,507	6,450	8,231
Cash – End of period*	13,429	6,450	13,429	6,450

*Cash balance includes the cash balance of the Partnership

Cash provided by operations increased by \$1.1 million and \$5.9 million in Q4 2025 and Fiscal 2025, respectively. For Q4 2025, the increase was attributable to a \$29.3 million decrease in net income for the period, a \$2.8 million decrease in the loss on disposal of property and equipment, and a \$1.0 million increase in distributions paid to the Ordinary LP and Class A unitholders, offset by a \$30.4 million increase in the amortized cost of Ordinary LP and Class A LP units, a \$1.1 million increase in amortization and a \$2.0 million increase in stock compensation. For Fiscal 2025, the increase was attributable to a \$61.7 million decrease in net income for the period and a \$3.3 million decrease in the loss on disposal of property and equipment, offset by a \$63.9 million increase in the change in amortized cost of the Ordinary LP and Class A LP units, a \$2.3 million increase in amortization, a \$2.0 increase in stock compensation, a \$1.3 million positive change in working capital, and a \$0.6 million increase in distributions paid.

Cash used in investing activities decreased by \$3.8 million and \$13.8 million in Q4 2025 and Fiscal 2025, respectively. The decreases reflect lower property and equipment purchases.

Cash used in financing activities increased by \$0.8 million and \$10.9 million for Q4 2025 and Fiscal 2025, respectively. For Q4 2025, the increase was attributable to a \$34.5 million principal repayment of long-term debt, a \$2.5 million repayment of a shareholder loan, a \$1.2 million increase in financing fees, and a \$0.5 million increase in interest paid, partially offset by a \$30.0 million increase in proceeds from the issuance of long-term debt, and an \$8.0 million decrease in bank indebtedness. For Fiscal 2025, the increase was attributable to a \$40.0 million principal repayment of long-term debt, a \$1.2 million increase in financing fees, and a \$0.8 million increase in interest paid, partially offset by a \$31.0 million increase in proceeds from the issuance of long-term debt, and a \$0.2 million decrease in the repurchase of capital stock.

As at August 31, 2025, SIR had current assets of \$27.8 million (August 25, 2024 – \$22.5 million) and current liabilities of \$69.4 million (August 25, 2024 – \$76.8 million) resulting in a working capital deficit of \$41.6 million (August 25, 2024 – \$54.3 million). Revenues in the restaurant business are largely paid by cash and credit cards whereas most suppliers offer credit terms for payment. Therefore, restaurants are able to pay their suppliers from the cash received on revenues in the following months, as the supplier payables are due. Cash balances are typically used to construct new restaurants or re-invest in existing restaurants to grow the business. As a result, SIR, like many other restaurant businesses, would anticipate having a negative working capital balance in the foreseeable future.

As at August 31, 2025, SIR had a New Credit Agreement with a syndicate of two Schedule 1 Canadian chartered banks. This New Credit Agreement is “permitted indebtedness” within the meaning of the agreements between the Fund, the Partnership, and SIR, and as a result the Fund and the Partnership have, as contemplated in the existing agreements, subordinated and postponed their claims against SIR to the claims of the Lenders. This subordination, which includes a subordination of the Partnership’s rights under the License and Royalty Agreement between the Partnership and SIR whereby the Partnership licenses to SIR the right to use trademarks and related intellectual property in return for royalty payments based on revenues, has been effected pursuant to the terms of the Intercreditor Agreement.

The New Credit Agreement between SIR and the Lenders has a maturity date of May 15, 2028 (“Maturity Date”) and as at August 31, 2025 provided for a maximum principal amount of \$68.0 million, consisting of:

- a \$5.0 million Operating Facility,
- a \$38.0 million Term Facility, and;
- a \$25.0 million Delayed Draw Facility

SIR and the Lenders have also entered into a purchase card agreement providing credit of up to an additional \$1.5 million.

The Operating Facility is for general corporate and operating purposes, with the principal to be repaid in one bullet repayment on May 15, 2028. As at August 31, 2025, no funds were drawn on the Operating Facility.

The Term Facility is for extinguishing existing indebtedness and financing renovation capital expenditures. The initial advance on the Term Facility is repayable in quarterly instalments of \$0.8 million, with the remaining outstanding principal balance due on May 15, 2028. Subsequent advances on the Term Facility may be requested (subject to availability and lender approval), in a minimum amount of \$1.0 million and in multiples of \$0.1 million, to finance capital spending on renovated restaurants. Each subsequent advance will be repayable in equal quarterly instalments based on a 12-year amortization, with the remaining outstanding principal balance due on May 15, 2028. As at August 31, 2025, \$38.0 million was drawn on the Term Facility.

The Delayed Draw Facility is for financing growth capital expenditures for new restaurants. The initial advance on the Delayed Draw Facility was \$0.9 million, repayable in quarterly instalments of \$0.02 million beginning with the first quarterly repayment to be made on August 28, 2026, and the remaining outstanding principal balance due on May 15, 2028. Subsequent advances on the Delayed Draw Facility may be requested (subject to availability and lender approval), in a minimum amount of \$0.3 million, to finance capital spending on new restaurants. Each subsequent advance will be interest only for the first four quarters and repayable thereafter in equal quarterly instalments, based on an 11-year amortization, with the remaining outstanding principal balance due on May 15, 2028. As at August 31, 2025, \$0.9 million was drawn on the Delayed Draw Facility.

The Operating Facility, the Term Facility and the Delayed Draw Facility bear interest at the prime rate and/or the term CORRA rate plus an applicable margin that is dependent on the Senior Net Funded Debt to Adjusted EBITDA Ratio as defined in the New Credit Agreement. A standby fee is charged on the undrawn balance of each facility. The standby fee is also dependent on the Senior Net Funded Debt to Adjusted EBITDA Ratio.

For more details regarding the previous Credit Agreement and all related Amending Agreements, please refer to the Fund’s and SIR’s prior interim filings, which can be found on SEDAR+ at www.sedarplus.ca under the Fund’s profile.

Under the new Intercreditor Agreement, absent any default or event of default under the New Credit Agreement, ordinary payments to the Fund and the Partnership can continue and the Partnership can exercise any and all of its rights to preserve the trademarks and related intellectual property governed by the License and Royalty Agreement. However, if a default or an event of default were to occur, the Fund and the Partnership agree not to take action on their security until the Lenders have been repaid in full. However, payments by SIR, to the Fund and the Partnership, will be permitted for such amounts as are required to fund their monthly operating expenses, up to an annual limit. In addition, the Fund, the Partnership and SIR will have the right, acting cooperatively, to reduce payments of Royalties and/or interest on the SIR Loan by up to 50% without triggering a cross default under the New Credit Agreement, for a period of up to nine consecutive months. SIR and each Obligor provided an undertaking to cooperate and explore all options with the Fund to maximize value to the Fund’s unitholders and SIR and its shareholders in exchange for the Subordinating Parties not demanding repayment or enforcing

security as a result of any such Related Party Obligation Default. The Intercreditor Agreement also contains various other typical covenants of the Fund and the Partnership.

The New Credit Agreement is secured by substantially all the assets of the Company and most of its subsidiaries, which are also guarantors. The Partnership and the Fund have not guaranteed the Credit Agreement.

On February 2, 2025, SIR received a \$2.5 million loan from a shareholder, with a maturity date of July 6, 2026, bearing interest at 5.2%. The shareholder entered into a Subordination Agreement to subordinate the loan to SIR's former Lender. The Lender issued a Waiver and Consent Agreement to SIR and the shareholder allowing the loan to be considered "permitted indebtedness" pursuant to the Credit Agreement, waiving any instances of covenant defaults, as at the effective date of February 3, 2025. The New Credit Agreement allowed for the repayment of the \$2.5 million shareholder loan, received by SIR on February 2, 2025, provided, among other conditions outlined in the New Credit Agreement, the entire outstanding amount, including all principal and interest, is repaid in a single payment and is made using excess cash on hand. The shareholder entered into a Subordination Agreement to subordinate the loan to the Lenders. On July 28, 2025, SIR repaid this loan, including accrued and unpaid interest, in full.

As at August 31, 2025, SIR's liquidity was comprised of \$12.5 million of cash on hand (net of the cash balance of the Partnership) and \$29.1 million available to borrow under its New Credit Agreement.

Management believes these resources, combined with cash generated by operations, provides sufficient cash resources to fund its working capital requirements, scheduled debt repayments, and current commitments for estimated construction costs for new restaurants. However, availability under the previous Credit Agreement was subject to certain conditions, including certain financial and non-financial covenants as determined by the Lender. As at August 31, 2025, the Company was in compliance with all of the covenants.

SIR prepares budgets and forecasts to evaluate its ability to meet future cash obligations. The Company continues to assess changes in the marketplace, including economic conditions and consumer confidence. Based on these assessments, the timing of restaurant construction and opening schedules will be reviewed regularly by SIR's Management and adjusted as necessary.

Borrowings subject to financial covenants	Financial covenant	Frequency tested	Ratios to be compliant as at August 31, 2025	Ratios as at August 31, 2025
\$38,912,000*	Senior Net Funded Debt to Adjusted EBITDA Ratio (a)	Quarterly	Maximum of 3.85:1	1.65:1
\$38,912,000*	Fixed Charge Coverage Ratio (b)	Quarterly	Minimum of 1.10:1	2.01:1

*The fair value of the borrowings subject to financial covenants pursuant to the New Credit Agreement is \$38.9 million, which excludes deferred financing fees of \$1.2 million.

For the purposes of these financial covenants, definitions of Senior Net Funded Debt to Adjusted EBITDA Ratio and Fixed Charge Coverage Ratio, along with all definitions contained within these ratios, can be found in the Fund's and SIR's prior interim filings, which can be found on SEDAR+ at www.sedarplus.ca under the Fund's profile.

Four new restaurants were added to the Royalty Pooled Restaurants effective January 1, 2025 (January 1, 2024 - one). Refer to page 15 for further details of all changes and adjustments under the License and Royalty Agreement. After the net adjustments to the Royalty Pooled Restaurants on January 1, 2025, SIR held 1,569,147 Class A GP Units, representing a 15.78% residual interest in the Partnership. Under the terms of the Exchange Agreement, SIR has the right to convert some or all of the Class A GP Units into Fund Units on a one-for-one basis, which, as at August 31, 2025, had a market value of approximately \$23.1 million. Under the New Credit Agreement and without prior consent from the Lenders, SIR could convert Class A GP Units into Fund Units and promptly sell such units for the purposes of financing construction projects for new and existing restaurants, provided in any year the sale of the units did not exceed the lower of \$7.0 million and 0.4 million units.

Contractual Obligations

In 2004, the Partnership granted SIR a 99-year license to use the SIR Rights in most of Canada in consideration for a Royalty, payable by SIR to the Partnership, equal to 6% of the revenue of the restaurants included in Royalty Pooled Restaurants. Payment of the Royalty is secured by the Partnership General Security Agreement. On July 6, 2015, SIR, the Fund and the Partnership amended the agreement to subordinate and postpone their claims against SIR in favour of the senior lender. The Partnership and the Fund have not guaranteed the Credit Agreement (Please refer to SIR Royalty Income Fund section).

The security interest for all amounts payable by SIR to the Partnership under the License and Royalty Agreement, as set out in the Partnership General Security Agreement, is substantially the same as, and ranks equally with, the security interest granted by SIR to the Fund in respect of the SIR Loan. SIR consolidates the Partnership, and this transaction between SIR and the Partnership is eliminated in SIR's annual consolidated financial statements, however the obligation for payments remains.

On January 1 of each year (the "Adjustment Date"), the restaurants subject to the License and Royalty Agreement are adjusted for new SIR restaurants opened for at least 60 days preceding such Adjustment Date. At each Adjustment Date, SIR will be entitled to convert its Class B GP Units to Class A GP Units based on a formula defined in the Partnership Agreement.

As at the date of this report, SIR is currently developing a new Jack Astor's in Oshawa, Ontario, which is expected to open in December 2025 and has leased another property in Windsor, Ontario, upon which it plans to develop an additional Scaddabush location. Final costs of construction are subject to uncertainties as to their amounts and timing. Items such as finalization of design and final construction quotations could change the total cost of these projects. There can be no assurance at this time that the new planned restaurant in Windsor will be opened, or that either of these new restaurants will become part of the Royalty Pooled Restaurants.

Off-Balance Sheet Arrangements

SIR did not have any material off-balance sheet arrangements as at August 31, 2025, nor did it have any subsequent to Q4 2025.

Transactions with Related Parties

SIR has entered into related party transactions with shareholders and directors or companies controlled by shareholders and directors of SIR. The transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	17-Week Period Ended August 31, 2025	16-Week Period Ended August 25, 2024	53-Week Period Ended August 31, 2025	52-Week Period Ended August 25, 2024
<i>Transactions with Related Parties</i>	(in thousands of dollars)			
	(unaudited)			(audited)
Property and equipment				
Fixtures purchased from a shareholder of SIR	13	13	25	78
Equipment purchased from a company owned by a director and shareholder of SIR, together with a member of executive management of SIR	35	100	110	454
<ul style="list-style-type: none"> SIR advanced \$0.01 million to a company owned by a shareholder and director, together with a member of executive management of SIR, during the 52-week period ended August 27, 2017. This advance is non-interest bearing and is payable on demand. SIR purchased fixtures from this company for \$0.01 million and \$0.02 million during Q4 2025 and Fiscal 2025, respectively (Q4 2024 and Fiscal 2024 - \$0.01 million and \$0.08 million). SIR received a \$2.5 million loan from a company owned by a shareholder and director, together with a member of executive management of SIR, during the 24-week period ended February 9, 2025. This shareholder loan bears interest at 5.20% and is due on July 6, 2026. On July 28, 2025, SIR repaid this loan, including accrued and unpaid interest, in full. Total interest paid on this loan was \$0.04 million. 				

Transactions with the SIR Royalty Income Fund

Advances receivable from the Fund and its subsidiaries as at August 31, 2025 were \$2.9 million (August 25, 2024 – \$3.5 million). Advances receivable are non-interest bearing and due on demand.

During Q4 2025 and Fiscal 2025, distributions of \$3.9 million and \$11.1 million, respectively, were declared to the Fund by the Partnership, compared to distributions of \$3.6 million and \$10.8 million declared Q4 2024 and Fiscal 2024, respectively. The Fund, indirectly through the Trust, is entitled to receive a pro rata share of all residual distributions. Distributions previously declared, but unpaid as at August 31, 2025 were \$3.9 million.

Interest expense on the SIR Loan totaled \$1.4 million and \$3.5 million for Q4 2025 and Fiscal 2025, respectively, and \$0.9 million and \$3.1 million for Q4 2024 and Fiscal 2024, respectively.

SIR, through the Partnership, has entered into an arrangement with the Fund and the Trust whereby the Partnership will provide or arrange for the provision of services required in the administration of the Fund and the Trust. The Partnership has arranged for these services to be provided by SIR GP Inc., in its capacity as the managing general partner of the Partnership. The Partnership provided these services to the Fund and the Trust for consideration of \$0.007 million and \$0.024 million for Q4 2025 and Fiscal 2025, respectively (\$0.007 million and \$0.024 million for Q4 2024 and Fiscal 2024, respectively), which was the amount of consideration agreed to by the related parties.

Critical Accounting Estimates and Judgments

Management believes that there have been no substantial changes in the nature of critical accounting estimates since the year ended August 25, 2024. The reader will find this information in the annual MD&A for the year ended August 25, 2024.

Changes in Accounting Policies, Including Recently Issued Accounting Pronouncements

Recently adopted IFRS

IAS 1, Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued an amendment to IAS 1 to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. In October 2022, the IASB issued an amendment to IAS 1, Non-current Liabilities with Covenants, to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The 2022 amendments also introduce additional disclosure requirements to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period. The 2022 amendments changed the effective date of the 2020 amendments. The mandatory effective date would be annual periods beginning on or after January 1, 2024, with early adoption permitted. The amended standard has been implemented by the Company and did not have a material impact on the annual consolidated financial statements.

IFRS 16, Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The mandatory effective date would be annual periods beginning on or after January 1, 2024, with early adoption permitted. The amended standard has been implemented by the Company and did not have a material impact on the annual consolidated financial statements.

IAS 7, Disclosures on Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures regarding supplier finance arrangements. The mandatory effective date would be annual periods beginning on or after January 1, 2024. The amended standard has been implemented by the Company and did not have a material impact on the annual consolidated financial statements.

Recently issued but not yet effective

IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

On May 30, 2024, the IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures'. The amendments respond to recent questions arising in practice and include new requirements not only for financial institutions but also for corporate entities. These new requirements will apply from January 1, 2026, with early application permitted. The Company has not yet assessed the impact of the amendment on the annual consolidated financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued a new standard – IFRS 18, 'Presentation and Disclosure in Financial Statements' – in response to investors' concerns about the comparability and transparency of entities' performance reporting. The new requirements introduced in IFRS 18 will help to achieve comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosures required for some management-defined performance measures will also enhance transparency. The new standard will be effective for annual reporting periods beginning on or after January 1, 2027, including for interim financial statements. The Company has not yet assessed the impact of the amendment on the annual consolidated financial statements.

Financial Instruments

Management believes that there have been no substantial changes in the nature of critical accounting estimates since the year ended August 25, 2024. The reader will find this information in the annual MD&A for the year ended August 25, 2024.

Risks and Uncertainties

The performance of SIR is dependent on many factors. The restaurant industry generally, and in particular, the casual and fine dining segment of this industry, is intensely competitive with respect to price, service, location, food quality and qualified staff. Increases in minimum wage rates and other labour legislation may affect the growth and profitability of SIR, as a significant portion of its restaurant employees are paid at wage rates related to minimum wage. SIR Restaurants are subject to laws that prohibit or limit smoking in enclosed workplaces and/or certain outdoor public places, such as restaurant patios. There are many well-established competitors with greater financial and other resources than SIR. Competitors include national and regional chains, as well as individually owned restaurants. Recently, competition has increased in the mid-price, full-service, casual and fine dining sectors in which many of the SIR Restaurants operate. Some of SIR's competitors have been in existence for a substantially longer period than SIR and may be better established in the markets where SIR Restaurants are or may be located.

In addition, factors such as business and economic conditions, changes in foreign exchange, availability of credit, inflation, increased food, labour and benefits costs, taxes, government regulations (including those governing alcoholic beverages and cannabis legalization), tariffs, weather, seasonality, cybersecurity, public safety issues and the availability and quality of food, services and products sold in the restaurants, and growth in off-premise traffic due to an increase in delivery and takeout orders affect the restaurant industry in general and therefore SIR. There are many well-established competitors with greater financial and other resources than SIR. Competitors include national and regional chains, as well as individually owned restaurants. Recently, competition has increased in the mid-price, full-service, casual and fine dining sectors in which many of the SIR Restaurants operate. Some of SIR's competitors have been in existence for a substantially longer period than SIR and may be better established in the markets where SIR Restaurants are or may be located. If SIR is unable to successfully compete in the casual and fine dining sectors of the restaurant industry, Pooled Revenue may be adversely affected, the amount of the Royalty reduced and the ability of SIR to pay the Royalty or interest on the SIR Loan may be impaired. Please refer to the March 13, 2025 Annual Information Form for further discussion on risks and uncertainties related to the Fund and SIR.

The Fund's distributions are subject to change based on a number of factors, including the cash reserves of the Fund, the Trust and the Partnership. The Trustees will continue their practice of regularly reviewing the Fund's distribution levels.

Outlook

SIR is a privately held Canadian corporation in the business of creating, owning and operating full-service restaurants in Canada. All of SIR's restaurants are corporately owned. SIR does not franchise any of its brands. SIR remains committed to the corporately owned restaurant model as it believes this structure gives it greater control over its brands and greater agility to proactively respond to changes in market conditions.

SIR continues to monitor consumer spending behavior in light of current evolving macroeconomic factors, including inflation, interest rates and the impact of new cross border-tariffs between Canada and the United States, and their potential impact on the Canadian economy and consumer confidence. Ongoing business impacts due to changes in the minimum wage and rising commodity costs have been influential in the bar and restaurant industry's changes in pricing overall.

SIR continues to innovate and provide immersive new product and service offerings to increase dine-in guest visits to its restaurants and to capitalize on the growth of take-out and delivery services in commercial foodservice.

The new Scaddabush location in Barrie, Ontario (opened in June 2025) is expected to be added to the Royalty Pooled Restaurants effective January 1, 2026.

The permanently closed Jack Astor's restaurant in the Greenfield Park neighborhood of Longueuil, Quebec (closed on April 27, 2025) will cease to be a Royalty Pooled Restaurant effective January 1, 2026.

As at the date of this report, SIR is currently developing a new Jack Astor's location on a leased property in Oshawa, Ontario, which is expected to open in December 2025 and has a lease commitment on another property in Windsor, Ontario, upon which it plans to develop a new Scaddabush location. There can be no assurance at this time that the planned new restaurant in Windsor will be opened, or that either of these two new locations will become part of the Royalty Pooled Restaurants.

With its New Credit Agreement in place, SIR is pursuing additional sites to expand its Scaddabush concept. SIR will also continue its practice of investing in existing restaurants to drive improved sales and earnings. In consideration of the ongoing economic and market conditions mentioned above, any new restaurant openings and existing restaurant renovation plans will be reviewed regularly and adjusted as necessary.

Description of non-IFRS measures

Management believes that disclosing certain non-IFRS financial measures provides a useful supplemental measure to evaluate SIR's performance. By considering these measures in combination with the most closely comparable IFRS measure, management believes that investors are provided with additional and more useful information about SIR than investors would have if they simply considered IFRS measures alone.

The non-IFRS financial measures do not have standardized meanings prescribed by IFRS. SIR's method of calculating these non-IFRS financial measures may differ from that of other issuers and, accordingly, may not be comparable to measures used by other issuers.

Same Store Sales and Same Store Sales Growth

SIR believes that SSS and SSSG are useful measures and provide investors with an indication of the change in year-over-year sales. SIR's method of calculating SSS and SSSG may differ from those of other issuers and, accordingly, SSS and SSSG may not be comparable to measures used by other issuers. SSSG is the percentage increase in SSS over the prior comparable period. SSS includes revenue from all SIR Restaurants except for those locations that were not open for the entire comparable periods in Fiscal 2025 and Fiscal 2024 and the seasonal restaurant, Abbey's Bakehouse, as it is not a SIR Restaurant. When a SIR Restaurant is closed, the revenue for the closed restaurant is excluded from the calculation of SSS and SSSG for both the quarter in which the restaurant is closed and the current year-to-date. Please refer to the reconciliation of consolidated revenue to SSS on page 9 and to the definition of SSS in the Revenue section on page 11.

Adjusted Net Earnings (Loss)

Adjusted Net Earnings (Loss) is calculated by removing the change in amortized cost of the Ordinary LP Units and Class A LP Units of the Partnership from the net income (loss) and comprehensive income (loss) for the period. Adjusted Net Earnings (Loss) is a non-GAAP financial measure and does not have a standardized meaning prescribed by IFRS. Management believes that in addition to net income (loss) and comprehensive income (loss), Adjusted Net Earnings (Loss) is a useful supplemental measure to evaluate SIR's performance. Changes in the amortized cost of the Ordinary LP Units and Class A LP Units of the Partnership is a non-cash transaction and varies with changes in the market price of the Fund units. The exclusion of the change in amortized cost of the Ordinary LP Units and Class A LP Units of the Partnership eliminates this non-cash impact. Management cautions investors that Adjusted Net Earnings (Loss) should not replace net income (loss) and comprehensive income (loss) or cash flows from operating, investing and financing activities (as determined in accordance with IFRS), as an indicator of SIR's performance. SIR's method of calculating Adjusted Net Earnings (Loss) may differ from the methods used by other issuers. Please refer to the reconciliations of net income (loss) and comprehensive income (loss) for the period to Adjusted Net Earnings (Loss) on page 7 of this document.

EBITDA and Adjusted EBITDA

References to EBITDA are to the net income (loss) and comprehensive income (loss) for the period before provision for (recovery of) income taxes, interest expense, interest on lease obligations, interest on loan payable to the Fund, depreciation and amortization, and change in amortized cost of Ordinary LP Units and Class A LP Units of the Partnership.

References to Adjusted EBITDA are to SIR's EBITDA plus or minus interest (income) and other expense (income) – net, goodwill impairment, impairment of non-financial assets, loss on disposal of property and equipment, cash rent payments, and pre-opening costs. Pre-opening costs are added back to EBITDA because management views these costs as investments in new restaurants and not as on-going costs of operations.

Management believes that, in addition to net income (loss) and comprehensive income (loss), EBITDA and Adjusted EBITDA are useful supplemental measures in evaluating SIR's performance, as these are useful estimates of the core business' contribution to cash flow from operations and approximate the funds generated by SIR which are available to meet

its financing obligations and capital expenditure requirements. Management interprets trends in EBITDA and Adjusted EBITDA as indicators of relative operating performance. EBITDA and Adjusted EBITDA are non-GAAP financial measures and do not have standardized meanings prescribed by IFRS. Management cautions investors that EBITDA and Adjusted EBITDA should not replace net income (loss) and comprehensive income (loss) or cash flows from operating, investing and financing activities (as determined in accordance with IFRS), as an indicator of SIR's performance. SIR's method of calculating EBITDA and Adjusted EBITDA may differ from the methods used by other issuers. Therefore, SIR's EBITDA and Adjusted EBITDA may not be comparable to similar measures presented by other issuers. Please refer to the reconciliation of net income (loss) and comprehensive income (loss) for the period to EBITDA and Adjusted EBITDA on page 813 of this document.

Forward-Looking Information

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 Fund or 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 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 at the time of this filing; 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; 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 impact of the conflicts in Ukraine and the Middle East; 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; the impact of cybersecurity breaches; 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 except as expressly required by law. 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. This Management's Discussion and Analysis is provided as of November 19, 2025.

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. For more information concerning the Fund's risks and uncertainties, please refer to 'Risk Factors' in the Fund's Annual Information Form dated March 13, 2025 for the period ended December 31, 2024, which is available under the Fund's profile at www.sedarplus.ca.

Additional information related to the Fund, the Partnership, and SIR can be found at www.sedarplus.ca under SIR Royalty Income Fund and on SIR's website at www.sircorp.com