



FOREMOST INCOME FUND

Condensed Consolidated Interim Financial Statements
For the three- and nine-month periods ended September 30, 2025

(Unaudited – Prepared by management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

National Instrument 51-102 *Continuous Disclosure Obligations* Part 4, subsection 4.3(3) (a) requires that, if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that they have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Foremost Income Fund (the Fund) have been prepared by management and approved by the Audit Committee and the Board of Trustees of the Fund.

The Fund's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by CPA (Chartered Professional Accountants) Canada for a review of interim financial statements by an entity's auditors.

FOREMOST INCOME FUND

Condensed Consolidated Interim Statements of Financial Position

For the period ended September 30, 2025

(Unaudited in \$ thousands of Canadian dollars)

	Notes	September 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	5	\$ 50,672	\$ 35,824
Trade and other receivables	6(b)	19,639	20,318
Inventories	7	63,412	71,896
Contract assets		15,066	11,414
Prepaid expenses		2,339	3,283
		151,128	142,735
Property, plant and equipment	8	45,051	46,562
Investment property	9	3,687	1,835
Deferred tax assets		7,445	10,817
Intangibles and other assets		1,074	1,246
		\$ 208,385	\$ 203,195
Liabilities and Unitholders' Equity			
Current liabilities			
Trade and other payables		\$ 18,899	\$ 14,977
Distribution payable	10(c)	-	18,318
Derivatives	6(a)	138	939
Provisions		1,257	1,341
Contract liabilities		16,026	23,422
		36,320	58,997
Unitholders' equity			
Unitholders' capital		52,827	52,901
Retained earnings		119,238	91,297
		172,065	144,198
		\$ 208,385	\$ 203,195

The notes are an integral part of these condensed consolidated interim financial statements.

Approved by the Board of Trustees

(Signed – Bevan May)
Bevan May
Trustee

(Signed – Gord Wiebe)
Gord M. Wiebe
Trustee

FOREMOST INCOME FUND

Condensed Consolidated Interim Statements of Net Income and Comprehensive Income

For the three and nine months ended September 30, 2025, and 2024

(Unaudited in \$ thousands of Canadian dollars, except per Trust Unit amounts)

		Three-month period ended		Nine-month period ended	
	Notes	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue	4	\$ 70,331	\$ 59,143	\$ 190,725	\$ 161,260
Cost of sales		53,286	46,265	145,574	129,881
Gross profit		17,045	12,878	45,151	31,379
Administrative expenses		5,159	4,805	15,248	14,696
Income from operating activities		11,886	8,073	29,903	16,683
Interest income		246	334	636	1,043
Other income		76	83	275	1,823
Insurance proceeds	15	455	1,623	455	3,867
Gain (loss) on disposal of property, plant and equipment		17	-	223	(262)
Foreign exchange gain (loss)		(119)	100	(94)	(218)
Net non-operating income		675	2,140	1,495	6,253
Income before income tax		12,561	10,213	31,398	22,936
Tax expense		1,422	1,392	3,372	2,921
Net and comprehensive income for the year		\$ 11,139	\$ 8,821	\$ 28,026	\$ 20,015
Basic earnings per Trust Unit	12	\$ 0.73	\$ 0.56	\$ 1.84	\$ 1.27

The notes are an integral part of these condensed consolidated interim financial statements.

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Condensed Consolidated Interim Statements of Changes in Unitholders' Equity

For the period ended September 30, 2025

(Unaudited in \$ thousands of Canadian dollars, except per Trust Unit amounts)

	Note	Number of Trust Units	Unitholders' Capital	Retained Earnings	Total Equity
December 31, 2023		17,457,569	\$ 60,519	\$ 87,550	\$ 148,069
Redemption of Trust Units	10(b)	(2,192,693)	(7,618)	(6,782)	(14,400)
Net income and comprehensive income		-	-	20,015	20,015
September 30, 2024		15,264,876	\$ 52,901	\$ 100,783	\$ 153,684
December 31, 2024		15,264,876	\$ 52,901	\$ 91,297	\$ 144,198
Redemption of Trust Units	10(b)	(21,261)	(74)	(85)	(159)
Net income and comprehensive income		-	-	28,026	28,026
September 30, 2025		15,243,615	\$ 52,827	\$ 119,238	\$ 172,065

The notes are an integral part of these condensed consolidated interim financial statements.

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Condensed Consolidated Interim Statements of Cash Flows

For the period ended September 30, 2025

(Unaudited in \$ thousands of Canadian dollars)

		For the nine-month period ended September 30,	
	Notes	2025	2024
Cash flows provided by (used in):			
Operations:			
Net income and comprehensive income for the year		\$ 28,026	\$ 20,015
Items not involving the use of cash:			
Depreciation and amortization	8	3,699	3,203
(Gain) Loss on disposal of property, plant and equipment		(223)	262
Tax expense		3,372	2,921
Unrecognized foreign exchange (gain) loss on forward contract	6(a)	(801)	356
Change in non-cash working capital:			
Trade and other receivables		679	5,258
Inventories		8,484	(13,083)
Contract assets		(3,652)	716
Prepaid expenses		944	1,050
Trade and other payables		3,922	4,300
Provisions		(84)	18
Contract liabilities		(7,396)	(5,814)
Net cash provided by operating activities		36,970	19,202
Investments:			
Purchase of property, plant and equipment	8	(3,975)	(8,793)
Purchase of intangibles		-	(38)
Net proceeds from disposal of property, plant and equipment		330	44
Net cash used in investing activities		(3,645)	(8,787)
Financing:			
Distribution payment	10(c)	(18,318)	(8,729)
Redemption of Trust Units	10(b)	(159)	(14,400)
Net cash used in financing activities		(18,477)	(23,129)
Net decrease in cash and cash equivalents		14,848	(12,714)
Cash and cash equivalents, beginning of the period		35,824	45,422
Cash and cash equivalents, end of period		\$ 50,672	\$ 32,708
Supplemental disclosure of operating cash flows			
Cash interest received		636	1,043

The notes are an integral part of these condensed consolidated interim financial statements.

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Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024

All amounts in thousands of Canadian dollars unless otherwise stated (Unaudited)

1. Reporting Entity

Foremost Income Fund (the Fund) is an unincorporated, open-ended unit trust established by a Deed of Trust under the laws of Alberta dated November 12, 2005, and amended and restated on March 11, 2022 (the Deed of Trust). The Deed of Trust limits the Unitholders' ability to sell, transfer, consign, mortgage, pledge, or dispose of any Trust Units in any manner other than a transfer to a similar beneficiary without the prior written consent of the Board of Trustees. The Board of Trustees will evidence its consent by resolution, and any attempt to do any of the above without that consent will be void.

The Fund intends, as described within the Deed of Trust, to distribute all of its taxable income and realized capital gains to the common trust Unitholders (Unitholders). As distributions are paid annually, any remaining undistributed taxable income and realized capital gains will be distributed to the Unitholders of record as at the distribution record date in December of each fiscal year. Distribution of this taxable income can be in the form of cash or additional common Trust Units (Trust Units). Under the terms of the Deed of Trust, if taxable income is distributed in the form of additional Trust Units, there will be an immediate reconsolidation of the number of Trust Units outstanding. After the consolidation, each Unitholder will hold the same number of Trust Units as held before the distribution of additional Trust Units.

The Fund conducts its business through three limited partnerships: Foremost Universal LP, Foremost Equipment LP, and Foremost Industries LP. Consistent with the Fund's focus on customer and market responsiveness, the Fund's operating segments clearly reflect the two distinct product lines, Foremost Energy Equipment (FEE) and Foremost Mobile Equipment (FME). FEE consists of two active manufacturing and service locations in Alberta. These locations manufacture shop tanks, gas separation units, pressure vessels, field tanks, oil treating units, gas processing units, fuel tanks, agricultural products, and steam generators. FME manufactures hydrovac trucks and equipment, off-highway large wheeled and tracked vehicles, and equipment for custom drilling, construction, water-wells, and mining sectors. FME maintains a focus on custom-built vehicles for its clientele and serves them through two manufacturing and service locations across Alberta.

2. Basis of Preparation

a. Statement of Compliance

The condensed consolidated interim financial statements (statements) have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as issued by the International Accounting Standards Board.

These statements were authorized for issue by the Board of Trustees on November 5, 2025, and should be read with the Fund's 2024 annual audited consolidated financial statements.

b. Basis of Measurement

These consolidated financial statements have been prepared on the historical cost basis, except for the liabilities relating to cash-settled-Trust Unit-based payment arrangements and derivatives, which are measured at fair value.

c. Functional and Presentation Currency

These statements are presented in Canadian dollars, which is the functional currency of the Fund and all its subsidiaries. All financial information presented in Canadian dollars has been rounded to the nearest thousand except where otherwise stated.

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d. Use of Estimates and Judgments

The preparation of the statements in conformity with IFRS requires that management make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, and disclosures of contingent assets and liabilities at the dates of the statements. Actual results may differ materially from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant estimates used in the preparation of these statements are consistent with those disclosed in the 2024 annual audited consolidated financial statements and include:

- the assessment of the percentage completion on cost-plus and fixed-fee contracts (including estimated total costs and provisions for estimated losses)
- the recognition of claims, variations in contract work (that is, change orders), and incentive payments on contracts
- assumptions used to value financial instruments
- estimates and assumptions used to determine the allowance for impairment of trade receivables; useful lives and impairment of property, plant and equipment; warranty provisions; and allowance relating to deferred tax assets

Management applies judgment to determine whether a contract is, or contains, a lease, from both a lessee and a lessor perspective. This assessment is based on whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Key judgments include whether a contract identifies an asset, whether the lessee obtains substantially all of the asset's economic benefits over the contract term, and whether the lessee has the right to direct the asset's use. Management also applies judgment to determine the rate used to discount the lease payments. Estimates are applied with respect to the incremental borrowing rate used.

3. Significant Accounting Policies

The Fund's accounting policies have not changed from those previously disclosed in note 3 of the 2024 annual audited consolidated financial statements.

4. Operating Segments

The Fund has three reportable operating segments, as described below, each of which are the Fund's strategic business units. For each strategic business unit, the Fund's President reviews internal management reports monthly. The following summary describes the operations in each of the Fund's reportable segments:

- **Foremost Mobile Equipment—FME** designs, manufactures, sells, and services drilling equipment, heavy all-terrain vehicles, hydrovac equipment, and related parts and tooling
- **Foremost Energy Equipment—FEE** designs, manufactures, sells, and services oil treating systems, shop tanks, field tanks, oil and gas process treating equipment, fuel storage tanks, protective coatings, agricultural products, and gas separators
- **Corporate and Eliminations—Corporate** includes administrative operations with expenses incurred at the Fund level and within Foremost Financial Ltd. Eliminations include adjustments for internal rent agreements between segments

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Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that the President reviews. Segment profit is used to measure performance, as management believes it is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Transfer pricing is based on third-party rates.

For the three months ended September 30,	Foremost Energy Equipment		Foremost Mobile Equipment		Corporate		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Revenue	\$ 21,516	\$ 20,625	\$ 48,937	\$ 38,639	\$ (122)	\$ (121)	\$ 70,331	\$ 59,143
Cost of sales	17,618	16,653	35,790	29,735	(122)	(123)	53,286	46,265
Gross profit	3,898	3,972	13,147	8,904	-	2	17,045	12,878
Administrative expenses	1,883	1,727	2,842	2,787	434	291	5,159	4,805
Net income (loss) from operating activities	2,015	2,245	10,305	6,117	(434)	(289)	11,886	8,073
Interest (expense) income	(107)	1	27	103	326	230	246	334
Other income	49	60	27	29	-	(6)	76	83
Insurance proceeds	455	1,623	-	-	-	-	455	1,623
Gain (Loss) on disposal of property, plant and equipment	26	-	(9)	-	-	-	17	-
Foreign exchange (loss) gain	4	-	(11)	(24)	(112)	124	(119)	100
Net non-operating income	427	1,684	34	108	214	348	675	2,140
Income (loss) before tax	2,442	3,929	10,339	6,225	(220)	59	12,561	10,213
Income tax expense	1,057	1,146	301	235	64	11	1,422	1,392
Net income (loss) and comprehensive income (loss)	\$ 1,385	\$ 2,783	\$ 10,038	\$ 5,990	\$ (284)	\$ 48	\$ 11,139	\$ 8,821

For the nine months ended September 30,	Foremost Energy Equipment		Foremost Mobile Equipment		Corporate		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Revenue	\$ 58,133	\$ 48,849	\$ 132,957	\$ 112,775	\$ (365)	\$ (364)	\$ 190,725	\$ 161,260
Cost of sales	48,074	41,576	97,865	88,670	(365)	(365)	145,574	129,881
Gross profit	10,059	7,273	35,092	24,105	-	1	45,151	31,379
Administrative expenses	5,395	5,259	8,660	8,510	1,193	927	15,248	14,696
Net income (loss) from operating activities	4,664	2,014	26,432	15,595	(1,193)	(926)	29,903	16,683
Interest (expense) income	(357)	320	(190)	665	1,183	58	636	1,043
Other income	202	211	73	53	-	1,559	275	1,823
Insurance proceeds	455	1,823	-	2,044	-	-	455	3,867
Gain (loss) on disposal of property, plant and equipment	232	(101)	(9)	(161)	-	-	223	(262)
Foreign exchange (loss) gain	(58)	2	(512)	15	476	(235)	(94)	(218)
Net non-operating income	474	2,255	(638)	2,616	1,659	1,382	1,495	6,253
Income before tax	5,138	4,269	25,794	18,211	466	456	31,398	22,936
Income tax expense	2,524	1,784	601	1,073	247	64	3,372	2,921
Net income and comprehensive income	\$ 2,614	\$ 2,485	\$ 25,193	\$ 17,138	\$ 219	\$ 392	\$ 28,026	\$ 20,015
Reportable segment assets	\$ 83,030	\$ 79,005	\$ 86,532	\$ 85,330	\$ 38,823	\$ 31,925	\$ 208,385	\$ 196,260
Capital expenditures	\$ 2,935	\$ 5,017	\$ 1,040	\$ 3,776	\$ -	\$ -	\$ 3,975	\$ 8,793
Reportable segment liabilities	\$ 9,729	\$ 16,113	\$ 24,254	\$ 25,299	\$ 2,337	\$ 1,164	\$ 36,320	\$ 42,576

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Notes to the Condensed Consolidated Interim Financial Statements

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All amounts in thousands of Canadian dollars unless otherwise stated (Unaudited)

Disaggregation of revenue

	Primary Geographical Markets							
	Canada		United States		International		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
For the three months ended September 30,								
Major Product Lines								
Shop Tanks	\$ 11,143	\$ 9,716	\$ -	\$ -	\$ -	\$ -	\$ 11,143	\$ 9,716
Vessels & Gas Separation	6,278	5,810	-	-	9	-	6,287	5,810
Field Tanks	1,435	2,191	-	-	23	-	1,458	2,191
Other	684	509	-	-	-	-	684	509
Agricultural Products	1,043	982	2	-	-	-	1,045	982
ULC Tanks	899	1,417	-	-	-	-	899	1,417
Total FEE	21,482	20,625	2	-	32	-	21,516	20,625
Trucks	\$ 12,788	\$ 11,549	\$ 12,399	\$ 11,687	\$ -	\$ -	25,187	23,236
Parts	5,780	1,627	-	3,329	-	1,300	5,780	6,256
Drills	17,970	1,735	-	4,421	-	1,987	17,970	8,143
Vehicles	-	-	-	1,004	-	-	-	1,004
Total FME	36,538	14,911	12,399	20,441	-	3,287	48,937	38,639
Corporate and Eliminations	(122)	(121)	-	-	-	-	(122)	(121)
Total	\$ 57,898	\$ 35,415	\$ 12,401	\$ 20,441	\$ 32	\$ 3,287	\$ 70,331	\$ 59,143

	Primary Geographical Markets							
	Canada		United States		International		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
For the nine months ended September 30,								
Major Product Lines								
Shop Tanks	31,046	24,954	-	1,061	-	-	31,046	26,015
Vessels & Gas Separation	16,914	10,148	-	-	9	-	16,923	10,148
Field Tanks	4,270	5,736	-	-	49	-	4,319	5,736
Other	1,840	1,323	-	-	-	-	1,840	1,323
ULC Tanks	2,324	3,500	2	-	-	-	2,326	3,500
Agricultural Products	1,679	2,127	-	-	-	-	1,679	2,127
Total FEE	58,073	47,788	2	1,061	58	-	58,133	48,849
Trucks	35,273	31,149	37,567	34,342	-	-	72,840	65,491
Parts	10,692	5,094	3,283	8,691	3,048	4,114	17,023	17,899
Drills	21,287	4,271	19,361	15,856	2,446	5,371	43,094	25,498
Vehicles	-	-	-	3,887	-	-	-	3,887
Total FME	67,252	40,514	60,211	62,776	5,494	9,485	132,957	112,775
Corporate and Eliminations	(365)	(364)	-	-	-	-	(365)	(364)
Total	\$124,960	\$ 87,938	\$ 60,213	\$ 63,837	\$ 5,552	\$ 9,485	\$190,725	\$161,260

FOREMOST INCOME FUND

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2025, and 2024

All amounts in thousands of Canadian dollars unless otherwise stated (Unaudited)

Major Customers

For the nine-month period ended September 30, 2025, the Fund had two customers who accounted for 38.2% of revenues. For the same period ended 2024, two customers accounted for 40.5% of revenues. Within the Energy Equipment segment, two customers accounted for 27.1% of segment revenues for the nine-month period ended September 30, 2025. For the same period ended September 30, 2024, one customer accounted for 11.2% of segment revenues. Within the Mobile Equipment segment, two customers accounted for 54.8% of revenues for the nine-month period ended June 30, 2025. For the same period ended September 30, 2024, two customers accounted for 58.0% of revenues.

5. Cash and Cash Equivalents

As at	September 30, 2025	December 31, 2024
Bank balances	\$ 49,992	\$ 33,674
Short-term investments	680	2,150
	\$ 50,672	\$ 35,824

At September 30, 2025, the Fund held short-term deposits of \$0.7 million (December 31, 2024 – \$2.1 million).

6. Risk Management

a. Market Risk

Fluctuations in foreign currency are a source of market risk for the Fund and arise when dealing with foreign customers. As part of managing this risk, the Fund reviews its exposure, specifically the size and jurisdiction (including political and economic factors), under all foreign contracts. Where market risk is deemed unacceptably high, the Fund will enter into forward exchange contracts to reduce exposure. Derivative instruments will impact future cash flows as foreign exchange rates change over the contract terms. Both contract currency and term will have an impact on this outcome.

The Fund enters currency exchange contracts to mitigate a portion of the foreign currency exposure risk on funds to be received for existing contracts denominated in US Dollars. The fair value of the forward contracts is measured on the difference between the contracted rate and the current forward rate. At September 30, 2025, four contracts were in place, which recorded an unrealized loss of \$0.1 million. Eight contracts were in place on September 30, 2024, which recorded an unrealized loss of \$0.4 million. The unrealized gain/loss was recorded in the Foreign Exchange loss section.

	Notational Amount	Fair Value	Fixed Rate to Sell	Forward Rate	Term
Forward contract	2,000 USD	\$ (34)	1.371742	1.388561	November 26, 2025
Forward contract	2,000 USD	\$ (34)	1.369488	1.386507	December 30, 2025
Forward contract	2,000 USD	\$ (36)	1.363327	1.381250	March 31, 2026
Forward contract	2,000 USD	\$ (35)	1.359065	1.376510	June 30, 2026
	11,000 USD	\$ (138)			

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b. Credit Risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Fund's receivables from customers.

Trade and Other Receivables

In the normal course of business, the Fund is exposed to credit risk through its accounts receivable and construction work in progress from its customers, primarily in the oil and natural gas industry in Canada and the United States. At September 30, 2025, two customers represented 23.2% of the Fund's accounts receivable balance. At December 31, 2024, three customers represented 72.2% of the Fund's accounts receivable balance. Four customers represented 56.7% of work in progress at June 30, 2025, and three customers represented 50.8% of work in progress at December 31, 2024.

The Fund has established credit policies and limits, according to which counterparties are analyzed individually for creditworthiness before being offered the Fund's standard delivery terms. Management also reviews all past-due receivable balances to identify matters at an early stage that could potentially delay the collection of funds. For the nine months ended September 30, 2025, the Fund provided an allowance for doubtful accounts of \$0.2 million (December 2024 —\$0.3 million), calculated using an expected credit loss assessment for specifically identifiable customer balances assessed to have credit risk exposure. The aging of trade and other receivables is as follows:

As at:	September 30, 2025		December 31, 2024	
	Gross	Impairment	Gross	Impairment
Current	\$ 10,411	\$ -	\$ 8,537	\$ -
Past due 1 - 30 days	3,822	-	7,010	-
Past due 31 - 60 days	4,233	-	3,319	-
Past due 60 days	347	236	534	288
Total trade receivables	18,813	236	19,400	288
Other receivables	1,062	-	1,206	-
Total trade and other receivables	\$ 19,875	\$ 236	\$ 20,606	\$ 288

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7. Inventories

Inventory, net of allowance

	September 30, 2025	December 31, 2024
Raw materials and consumables	\$ 41,669	\$ 47,125
Work in progress related to capital equipment	14,679	16,033
Finished goods	7,064	8,738
	\$ 63,412	\$ 71,896

Valuation Allowances

	September 30, 2025	December 31, 2024
Raw materials and consumables	\$ (5,183)	\$ (5,211)
Finished goods	(1,037)	(1,000)
	\$ (6,220)	\$ (6,211)

8. Property, Plant and Equipment

Cost

	Land and Buildings	Assets Under Construction	Equipment	Total
Balance at December 31, 2024	\$ 55,172	\$ 4,212	\$ 49,202	\$ 108,586
Additions	166	1,778	2,031	3,975
Transfer	63	(2,667)	2,604	-
Transfer to investment property	(3,577)	-	-	(3,577)
Disposals	(16)	-	(1,072)	(1,088)
Balance at September 30, 2025	\$ 51,808	\$ 3,323	\$ 52,765	107,896

Accumulated Depreciation

	Land and Buildings	Assets Under Construction	Equipment	Total
Balance at December 31, 2024	\$ 32,791	\$ -	\$ 29,233	62,024
Depreciation for the year	1,054	-	2,393	3,446
Transfer to investment property	(1,645)	-	-	(1,645)
Disposals	(12)	-	(968)	(979)
Balance at September 30, 2025	\$ 32,188	\$ -	\$ 30,658	62,845

Carrying Amount

	Land and Buildings	Assets Under Construction	Equipment	Total
Balance at December 31, 2024	\$ 22,381	\$ 4,212	\$ 19,969	46,562
Balance at September 30, 2025	\$ 19,620	\$ 3,323	\$ 22,108	45,051

Depreciation included in the cost of sales category for the period is \$3.3 million, and \$0.4 million is included in administrative expenses.

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9. Investment Property

	September 30, 2025	December 31, 2024
Cost		
Opening Balance	\$ 5,372	\$ 8,949
Transfer from property, plant, & equipment	3,577	
Transfer out	-	(3,577)
Balance at September 30, 2025	\$ 8,949	\$ 5,372
Accumulated Depreciation		
Opening Balance	\$ 3,537	\$ 5,075
Depreciation	80	27
Transfer from property, plant, & equipment	1,645	-
Transfer to property, plant, & equipment	-	(1,565)
Balance at September 30, 2025	\$ 5,262	\$ 3,537
Balance at September 30, 2025	\$ 3,687	\$ 1,835

Investment property consists of two idle manufacturing facilities in Alberta. This property is carried at cost less accumulated depreciation and impairment.

10. Unitholders' Equity

a. Unitholders' Capital

The Fund is authorized to issue an unlimited number of Trust Units and an unlimited number of special voting units. Special voting units may be issued by Trustee resolution. These special voting units entitle the holders to the number of votes prescribed by the resolution. These special voting units do not entitle the holder to participate in any distributions from the Fund or beneficial interest in any assets of the Fund.

b. Redemption of Trust Units

Trust Units are redeemable in whole or in part at any time on demand by the Unitholder. Upon receipt of an executed redemption notice and related Trust Unit certificate, the Unitholder ceases to have any rights with respect to those Trust Units. The Unitholder is entitled to receive a cash redemption price equal to the tangible book value, plus or minus 10%. The cash redemption price is set at the discretion of the Board of Trustees. In conjunction with its delisting, the Fund increased the monthly redemption limit to \$1.5 million per month, which can be paid in cash or, in certain circumstances, by the issuance of an unsecured promissory note.

As previously disclosed, under s. 6.4(ii)(B) of the Deed of Trust, the Trustees have exercised their discretion to reduce the monthly redemption limit to \$0.35 million for each month until otherwise notified. This means that if redemptions exceed the monthly limit, the excess will be paid by promissory notes, but Unitholders tendering notices of redemption will be allowed to withdraw notices. All promissory notes are subject to the terms and conditions of the Deed of Trust.

The Deed of Trust also limits the Unitholders' ability to sell, transfer, consign, mortgage, pledge, or dispose of any Trust

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Units in any manner without the prior written consent of the Board of Trustees. The Board of Trustees will evidence its consent by resolution, and any attempt to do any of the above without consent will be void.

During the nine-month period ended September 30, 2025, there were 21,261 Trust Units redeemed (2024 – 2,192,693) and cash payments of \$0.2 million (2024 – \$14.4 million). As at September 30, 2025, the stated redemption price was \$8.95 per unit.

c. Trust Unit Distributions

The Fund intends to distribute taxable income annually via a cash distribution at the Trustees' discretion. For the year ended December 31, 2024, the Fund announced an \$18.3 million distribution, representing \$1.20 per unit. This was paid in the first quarter of 2025.

11. Related Parties

The Fund uses the consulting services of TOM Capital Management Inc. (TOM Capital), a company that is partially owned by a Trustee of the Fund. The services consist of professional, M&A advisory, and investor relations advice, at market rates confirmed from time to time and agreed to by all parties. For the nine-month period ended September 30, 2025, the total amount invoiced for consulting services through TOM Capital was \$0.4 million (2024 – \$0.3 million).

12. Per Trust Unit Amounts

Earnings per Trust Unit are calculated using the weighted average number of Trust Units outstanding. The reconciliation of the denominators used to determine the basic and diluted earnings per Trust Unit is below:

For the nine-month period ended September 30,	2025	2024
Basic weighted-average Trust Units	15,260,262	15,745,190
Diluted weighted-average Trust Units	15,644,262	16,033,190
Net income for the year (in thousands of Canadian dollars)	\$ 28,026	\$ 20,015
Basic earnings per share	\$ 1.84	\$ 1.27
Diluted earnings per share	\$ 1.79	\$ 1.25

13. Trust Unit-Based Compensation Plan

In March 2022, the requisite majority of Unitholders approved an amended and restated unit option plan. The Fund has reserved 2,123,013 unit options under the amended and restated unit option plan. During 2021, 480,000 options were granted at an exercise price of \$6.00 per unit. These options vest annually over five years, on each of the five anniversaries of the date of the grant and expire one year after the fifth anniversary.

No additional options were granted in 2024 or 2025. As at September 30, 2025, 384,000 trust units had vested.

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Trust Units-Based Compensation Expense

The fair value of these unit options is \$1.9 million at September 30, 2025 (2024 – \$0.9). For the period ended September 30, 2025, an expense of \$1.0 million (2024 – \$0.4) was recorded in administrative expenses with an equal amount offset to other payables.

The 2021 weighted average fair value per option with an exercise price of \$6.00 was \$2.70. This was calculated using the Black-Scholes model, with the assumptions being a risk-free rate of 4.70%, a forfeiture rate of nil, an expected option life of five years, a volatility of 9.11%, and a quarterly dividend rate of 14.46%.

14. Management of Capital

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to:

- provide returns to Unitholders and benefits for other stakeholders
- maintain financial liquidity and flexibility to fulfill existing financial obligations, support capital requirements of current operations, pay Trust Unit distributions in cash, and provide capital for accretive acquisitions

The Fund is not subject to any externally imposed capital requirements.

In the definition of capital, the Fund includes Unitholders' capital, retained earnings, long-term debt (including any current portion), bank indebtedness, cash and cash equivalents, and undrawn credit facilities.

15. Insurance Proceeds

\$0.4 million in insurance proceeds were recognized in relation to the fire in Lloydminster during 2025. This was to cover equipment that was replaced due to fire damage. During the prior year the Fund recognized \$2.1 million in insurance proceeds that covered losses from the August 2022 fire at the Calgary property, with an additional \$1.8 million for the March 2024 fire in Lloydminster.

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16. Fair Values of Financial Instruments

Fair Values versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated interim statement of financial position, are as follows:

	September 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets carried at cost				
Cash and cash equivalents	\$ 50,672	\$ 50,672	\$ 35,824	\$ 35,824
Trade and other receivables	19,639	19,639	20,318	20,318
	\$ 70,311	\$ 70,311	\$ 56,142	\$ 56,142
	September 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Liabilities carried at cost				
Trade and other payables	\$ 18,899	\$ 18,899	\$ 14,977	\$ 14,977
Distribution payable	-	-	18,318	18,318
Liabilities carried at fair value through profit and loss				
Derivatives	138	138	939	939
	\$ 19,038	\$ 19,038	\$ 34,234	\$ 34,234

Fair Value Hierarchy

The Fund has segregated all financial assets and liabilities that are measured at fair value into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

Financial instruments measured at fair value on the consolidated statement of financial position require classification into one of the following levels of the fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The fair value hierarchy level at which a fair value measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The fair value of the forward contract is measured based on the difference between the contracted rate and the current forward rate provided from the financial institution. The Fund continues to classify the forward contract as level 2, as the inputs used in the valuation are observable in the open market.