SHERIDAN BROTHERS TRUST

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024
(Presented in Canadian Dollars)
(Unaudited)

SHERIDAN BROTHERS TRUST

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements of Sheridan Brothers Trust (the "Fund") for the six months ended June 30, 2025 and 2024 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Fund. These statements have not been reviewed by the Fund's external auditors.

Dated: August 22, 2025

"**Michael Sheridan"**	**"David Molson"**
Chief Executive Officer	Chief Financial Officer
of NSFI Inc.	of NSFI Inc.

SHERIDAN BROTHERS TRUST
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
(Presented in Canadian Dollars)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Current Assets			
Cash		$ 27,601	$ 29,915
Due from broker		536,471	323,005
Investments owned, at fair value	3	99,488	-
Loan receivable	4	1,519,350	1,519,350
Precious metals		1,171	1,171
Prepaid expenses and sundry		8,809	9,643
Total Current Assets		2,192,890	1,883,084
Non-current Assets			
Right-of-use-asset	6	28,645	63,018
Total Assets		**$ 2,221,535**	**$ 1,946,102**
LIABILITIES AND EQUITY			
Current Liabilities			
Investments sold short, at fair value	3	$ 344,311	$ -
Accounts payable and accrued liabilities		14,574	24,961
Loan Payable	5	4,015,000	4,015,000
Lease liability - current portion	7	32,990	70,814
Total Current Liabilities		4,406,875	4,110,775
Non-current Liabilities			
Lease liability	7	-	-
Total Liabilities		4,406,875	4,110,775
Equity			
Unitholders' equity	8	(2,185,340)	(2,164,673)
Total Liabilities and Equity		**$ 2,221,535**	**$ 1,946,102**

Going Concern (Note 2)

Approved on Behalf of the Board of Trustees

/s/ "Michael Sheridan"

Trustee

/s/ "Kieran Prashad"

Trustee

The accompanying notes are an integral part of the financial statements.

SHERIDAN BROTHERS TRUST
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Presented in Canadian Dollars)
(Unaudited)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
REVENUE				
Rental	$ 54,000	$ 54,000	$ 108,000	$ 108,000
Net realized gain/(loss) on disposal of investments	11,716	1,895	18,896	(38,765)
Net change in unrealized losses on investments	(44,261)	15,382	(48,101)	(5,049)
TOTAL REVENUE	21,455	71,277	78,795	64,186
EXPENSES				
General and adminstrative	52,851	62,789	99,462	123,722
TOTAL EXPENSES	52,851	62,789	99,462	123,722
NET INCOME/LOSS AND COMPREHENSIVE INCOME/LOSS	**$ (31,396)**	**$ 8,488**	**$ (20,667)**	**$ (59,536)**
INCOME/LOSS PER UNIT - BASIC AND DILUTED	$ (0.01)	$ -	$ -	$ (0.01)
WEIGHTED AVERAGE NUMBER OF UNITS OUTSTANDING - BASIC AND DILUTED	4,732,000	4,732,000	4,732,000	4,732,000

The accompanying notes are an integral part of the financial statements.

SHERIDAN BROTHERS TRUST
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Presented in Canadian Dollars)
(Unaudited)

	Trust Capital	Contributed Surplus	Deficit	Total Unitholders' Equity
Balance, January 1, 2024	$ 980,120	$ 18,084	$ (3,134,207)	$ (2,136,003)
Net loss			(59,536)	(59,536)
Balance, June 30, 2024	$ 980,120	$ 18,084	$ (3,193,743)	$ (2,195,539)
Balance, January 1, 2025	$ 980,120	$ 18,084	$ (3,162,877)	$ (2,164,673)
Net loss			(20,667)	(20,667)
Balance, June 30, 2025	$ 980,120	$ 18,084	$ (3,183,544)	$ (2,185,340)

The accompanying notes are an integral part of the financial statements.

SHERIDAN BROTHERS TRUST
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Presented in Canadian Dollars)
(Unaudited)

	2025	2024
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net income (loss)	$ (20,667)	$ (59,536)
Items not requiring an outlay of cash:		
Net realized gain/loss on disposal of investments	(18,896)	38,765
Net change in unrealized losses on investments	48,101	5,049
Amortization of right-of-use asset	34,373	34,373
Interest on lease liability	2,752	6,297
Changes in non-cash working capital:		
Due from broker	(213,466)	437,113
Proceeds on sale of investments	13,296,477	16,330,027
Cost of purchasing investments	(13,080,859)	(16,764,947)
Prepaid expenses and sundry	834	2,106
Accounts payable and accrued liabilities	(10,387)	(24,882)
Cash provided by (used in) operating activities	38,262	4,365
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Payments on capital lease	(40,576)	(39,780)
Cash provided by (used in) financing activities	(40,576)	(39,780)
NET INCREASE (DECREASE) IN CASH	(2,314)	(35,415)
CASH, BEGINNING OF YEAR	29,915	41,715
CASH, END OF PERIOD	**$ 27,601**	**$ 6,300**

	2025	2024
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	$ -	$ -
Income taxes paid	-	-

The accompanying notes are an integral part of the financial statements.

1. NATURE OF THE BUSINESS

Sheridan Brothers Trust (the "Fund") is an unincorporated open-ended, limited purpose mutual fund trust established under the laws of the Province of Ontario pursuant to a Deed of Trust dated December 28, 2006 (amended and restated on February 21, 2007). The Fund is headquartered at 550 Bayview Ave, Suite 405, Toronto, Ontario M4W 3X8.

The Board approved these consolidated financial statements for issue on August 22, 2025.

2. BASIS OF PREPARATION

Going Concern

These interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Fund will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from carrying values as shown in these consolidated financial statements and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Fund be unable to continue as a going concern.

As at June 30, 2025, the Fund had negative working capital of $2,213,985 (December 31, 2024 – negative working capital of $2,227,691) and an accumulated deficit of $3,183,544 (December 31, 2024 - $3,162,877).

The Fund’s viability depends on future profitability or the injection of new capital through loans or the issuance of trust units. Future profitability depends on the Fund’s ability to manage costs and optimize the rental of its office space, and realize profits on the sale of its investments.

Statement of Compliance

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Specifically, these statements have been prepared in accordance with International Accounting Standards 34 (“IAS 34”), *Interim Financial Reporting*. The accounting policies and methods of computation applied by the Company in these interim consolidated financial statements are the same as those applied in the Company’s annual financial statements as at and for the year ended December 31, 2024. The interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024.

Basis of Measurement

These interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are stated at fair value.

2. BASIS OF PREPARATION (Continued)

Functional and Presentation Currency

The Fund's functional and presentation currency is the Canadian dollar.

Basis of Consolidation

These interim consolidated financial statements include the accounts of Sheridan Brothers Trust and its subsidiary, Sheridan Brothers LP (the “Partnership”). This subsidiary is fully consolidated from the date of acquisition, being the date on which the Fund obtained control, and will continue to be consolidated until the date that such control ceases. The financial statements of the subsidiary are prepared for the same reporting period as the Fund, using consistent accounting policies. All intercompany account balances and transactions have been eliminated upon consolidation.

Critical Accounting Judgments, Estimates, and Assumptions

Preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates, and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Information about significant areas of estimation uncertainty and judgment considered by management in preparing the consolidated financial statements are as follows:

Going Concern

Management has made an assessment of the Fund’s ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. However, material uncertainty exits that casts significant doubt upon the Company’s ability to continue as a going concern.

(Presented in Canadian Dollars)

3. INVESTMENTS OWNED AND SOLD SHORT, AT FAIR VALUE

Investments Owned

The components of investments owned are as follows:

	June 30, 2025		December 31, 2024	
	Cost	**Fair Value**	**Cost**	**Fair Value**
Equities	$ 105,805	$ 99,488	$ -	$ -
Options	-	-	-	-
	$ 105,805	$ 99,488	$ -	$ -

Securities lending

The Company has entered into a securities lending agreement whereby securities in the portfolio are lent to the broker. The Company receives cash collateral in order to reduce the credit risk of these arrangements, which is held in a segregated account. The level of collateral held is monitored regularly with further collateral obtained where this is considered necessary to manage the Company's risk exposure. The Company obtains legal ownership of the collateral received and can utilize it outright in the event of default.

The security lending positions are as follows as at:

	June 30, 2025	December 31, 2024
Fair value of investments lent	$ 36,231	$ -
Collateral held for investments lent	36,231	-

Investments Sold Short

The components of investments sold short are as follows:

	June 30, 2025		December 31, 2024	
	Proceeds	**Fair Value**	**Proceeds**	**Fair Value**
Equities	$ 302,192	$ 344,163	$ -	$ -
Options	335	148	-	-
	$ 302,527	$ 344,311	$ -	$ -

Fair Value Hierarchy

All long and short securities are categorized into Level 1 of the fair value hierarchy and are measured based on quoted market prices. There were no transfers between levels of the fair value hierarchy during the years presented.

(Presented in Canadian Dollars)

4. LOAN RECEIVABLE

Loan receivable is comprised of the following:

	June 30, 2025	December 31, 2024
Integrated Trading Technologies LP	$ 1,519,350	$ 1,519,350

The above entity is controlled by the President and Trustee of the Fund. The loan is unsecured, non-interest bearing, and is due on demand.

5. LOAN PAYABLE

Loan payable is comprised of the following:

	June 30, 2025	December 31, 2024
Norstar Financial Services Inc.	$ 2,515,000	$ 2,515,000
Sarasin Capital LP	1,500,000	1,500,000
	$ 4,015,000	$ 4,015,000

The above entities are controlled by the President and Trustee of the Fund. The loans are unsecured, non-interest bearing, and are due on demand. The loans were advanced to the Fund for its investing and general working capital purposes.

6. RIGHT-OF-USE ASSET

The following is a continuity of the Fund's right-of-use asset:

Cost	**June 30, 2025**	**December 31, 2024**
Balance – beginning of year	$ 415,712	$ 415,712
Additions	-	-
Balance – end of period/year	$ 415,712	$ 415,712

Accumulated Amortization	**June 30, 2025**	**December 31, 2024**
Balance – beginning of year	$ 352,694	$ 283,947
Amortization	34,373	68,747
Balance – end of year	$ 387,067	$ 352,694

Carrying Value	**June 30, 2025**	**December 31, 2024**
Balance	$ 28,645	$ 63,018

(Presented in Canadian Dollars)

7. LEASE LIABILITY

The Fund leases its office space under a lease agreement for the period of November 1, 2022 to November 30, 2025. In May 2025, the Fund extended the lease by a further three years. The lease is recognized at a discount rate of 10% per annum. The following is a continuity of activity in leases during the year.

	June 30, 2025	December 31, 2024
Balance – beginning of year	$ 70,814	$ 139,758
Payments made	(40,576)	(79,825)
Interest expense	2,752	10,881
Balance – end of year	$ 32,990	$ 70,814

The lease liability is presented on the consolidated statement of financial position as follows:

	June 30, 2025	December 31, 2024
Current	$ 32,990	$ 70,814
Non-current	-	-
	$ 32,990	$ 70,814

The undiscounted minimum lease payments are due as follows:

Less than 1 year	$ 33,813	$ 74,389
Between 1 and 5 years	-	-
	$ 33,813	$ 74,389

(Presented in Canadian Dollars)

8. UNITHOLDERS' EQUITY

(a) Authorized

The Fund's Deed of Trust provides that an unlimited number of Trust Units and Special Voting Units may be issued. Each Trust Unit is transferable and represents an equal, undivided beneficial interest in any distribution of the Fund, and in the net assets of the Fund in the event of termination or winding up of the Fund. All Trust Units rank equally with all of the other Trust Units. Each Special Voting Unit entitles the holder to a number of votes at all meetings of Voting Unitholders or in respect of any resolution of Voting Unitholders equal to the number of Trust Units into which Exchangeable Securities to which such Special Voting Units relate are exchangeable. Except for the right to attend and vote at meetings of Voting Unitholders or in respect of written resolutions of Voting Unitholders, Special Voting Units do not confer upon the holder thereof any other rights. Holders of the Special Voting Units are not entitled to any interest or share in the Trust or any distributions of any nature whatsoever from the Trust and will not have any beneficial interest in any Trust Assets on termination or winding up of the Trust. The Fund does not have any issued and outstanding Special Voting Units.

(b) Issued and Outstanding

	Number of Trust Units	Trust Capital
Balance as of June 30, 2025 and December 31, 2024	4,732,000	$ 980,120

(c) Income (Loss) Per Trust Unit

Basic and diluted income (loss) per trust unit are calculated as follows:

Numerator:	**June 30, 2025**	**June 30, 2024**
Net income (loss)	$ (20,667)	$ (59,536)

Denominator:	**June 30, 2025**	**June 30, 2024**
Weighted average number of trust units outstanding - basic and diluted	4,732,000	4,732,000

Loss per share:	**June 30, 2025**	**June 30, 2024**
Basic and diluted	$ (0.00)	$ (0.01)

(Presented in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations.

(a) The Fund subleases its office space to various entities controlled by a trustee of the Fund. Rent received from these entities totalled $108,000 for the six months ended June 30, 2025 (June 30, 2024 - $108,000). Each of the leases is on a month-to-month basis.

(b) Key management personnel are defined as those individuals having authority and responsibility for planning, directing, and controlling the activities of the Fund. The Fund considers its President and CFO to be key management personnel. Compensation of key management personnel for the six months ended June 30, 2025 totalled $Nil (June 30, 2024 - $6,000) in consulting fees and $13,278 in salaries and benefits (June 30, 2024 - $6,042).

(c) The Fund has a loan receivable from a related party as described in note 4 and loans payable to related parties as described in note 5.

10. GENERAL AND ADMINISTRATIVE EXPENSES

The following are components of general and administrative expenses categorized by nature:

	June 30, 2025	June 30, 2024
Rent and occupancy costs	$ 3,592	$ 2,016
Amortization of right-of-use asset (note 6)	34,373	34,373
Office and general	11,769	29,974
Transaction costs	2,416	2,773
Professional fees	9,021	9,368
Salaries and benefits (note 9 (b))	13,278	6,042
Consulting fees (note 9 (b))	-	6,000
Advertising and promotion	11,379	17,181
Bank charges	5,331	4,959
Interest on lease liability (note 7)	2,994	6,382
Telecommunications	1,859	589
Quoting and information fees	3,450	3,815
Donations	-	250
	$ 99,462	$ 123,722

11. SEGMENTED INFORMATION

The Fund has a single reportable geographical segment in Canada. All of the Fund's assets are located in Canada.

(Presented in Canadian Dollars)

12. MANAGEMENT OF CAPITAL

The Fund includes the following in its managed capital:

	June 30, 2025	December 31, 2024
Loans payable	$ 4,015,000	$ 4,015,000
Unitholders' equity	(2,185,340)	(2,164,673)
	$ 1,829,660	$ 1,850,327

The Fund's objective when managing capital is to ensure that it maintains the level of capital necessary to continue operating. The Fund manages its capital structure and makes adjustments to it, based on the funds available and its anticipated future requirements.

The Board of Trustees does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Fund's management to sustain future development of a business. The Fund is not subject to externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfil its payment obligations. The Fund's maximum exposure to credit risk is presented below. The Fund does not have collateral towards any of the other receivable balances and considers credit risk to be low.

	June 30, 2025	December 31, 2024
Cash	$ 27,601	$ 29,915
Due from broker	536,471	323,005
Loan receivable	1,519,350	1,519,350
	$ 2,083,422	$ 1,872,270

The allowance for doubtful accounts and bad debt expense are $Nil for the six months ended June 30, 2025 and the year ended December 31, 2024. There have been no changes to the Fund's method for managing credit risk since December 31, 2024.

(Presented in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk

Liquidity risk is the risk that the Fund will have sufficient cash resources to meet its financial obligations as they come due. The following is a maturity analysis of financial liabilities based on their contractual maturities:

	Payments due by period			
	Less than 1 year	1 - 3 years	4 - 5 years	Total
June 30, 2025				
Investments sold short	$ 344,311	$ -	$ -	$ 344,311
Accounts payable	14,574	-	-	14,574
Loan payable	4,015,000	-	-	4,015,000
Lease liability	32,990	-	-	32,990
	$ 4,406,875	$ -	$ -	$ 4,406,875
December 31, 2024				
Accounts payable	$ 24,961	$ -	$ -	$ 24,961
Loan payable	4,015,000	-	-	4,015,000
Lease liability	70,814	-	-	70,814
	$ 4,110,775	$ -	$ -	$ 4,110,775

The following is a liquidity analysis of the Company's assets:

	Liquidity by period			
	Less than 1 year	More than 1 year	Non-liquid	Total
June 30, 2025				
Cash	$ 27,601	$ -	$ -	$ 27,601
Due from broker	536,471	-	-	536,471
Investments owned	99,488	-	-	99,488
Loan receivable	1,519,350	-	-	1,519,350
Precious metals	1,171	-	-	1,171
Prepaid expenses and sundry	-	-	8,809	8,809
Right-of-use asset	-	-	28,645	28,645
	$ 2,184,081	$ -	$ 37,454	$ 2,221,535
December 31, 2024				
Cash	$ 29,915	$ -	$ -	$ 29,915
Due from broker	323,005	-	-	323,005
Loan receivable	1,519,350	-	-	1,519,350
Precious metals	1,171	-	-	1,171
Prepaid expenses and sundry	-	-	9,643	9,643
Right-of-use asset	-	-	63,018	63,018
	$ 1,873,441	$ -	$ 72,661	$ 1,946,102

The loans payable are all due to related parties controlled by the President of the Fund. The Fund intends to pay its liabilities through the ongoing collection of rents. There have been no changes to the Fund’s method for managing liquidity risk since December 31, 2024.

(Presented in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (Continued)

Market Risk

Market risk is comprised of price risk and foreign currency risk. The Fund's exposure to these risks is described below.

Price Risk

Price risk is the risk that the fair value of, or future cash flows from, the Fund's financial instruments will significantly fluctuate due to changes in stock and commodity prices. The Fund is exposed to market price fluctuations on its long and short equity positions, option positions, and commodities contracts. Management reduces its exposure to market prices by holding instruments for short periods of time and by reviewing price fluctuations on a daily basis. Management continuously evaluates the impact of changing market conditions on the Fund in making investing decisions and acts to reduce its exposure where new information becomes available or the risk profile of an instrument changes. There have been no changes in the Fund's risk management strategies since December 31, 2024. The following financial instruments on the Fund's consolidated statements of financial position are exposed to price risk:

	June 30, 2025	December 31, 2024
Investments owned	99,488	-
Investments sold short	(344,311)	-

A sensitivity analysis of the impact on the net income (loss) of the Fund for changes in the market prices of investments owned and sold short is presented below:

	June 30, 2025	December 31, 2024
Market rises by 10%	$ (24,482)	$ -
Market rises by 5%	(12,241)	-
No change	-	-
Market falls by 5%	12,241	-
Market falls by 10%	24,482	-

The above sensitivity analysis does not give effect to the timing of changes in fair value, or the effect of management actions that may be taken to mitigate unfavorable market movements. The effect of timing is relevant to the above analysis, as the Fund holds several positions in options which have short term expiry dates.

(Presented in Canadian Dollars)

13. FINANCIAL INSTRUMENTS (Continued)

Market Risk (Continued)

Foreign Currency Risk

Foreign currency risk is the risk that fluctuations in the rates of exchange on foreign currency would impact the Fund's future cash flows. The Fund is exposed to foreign exchange fluctuations in the following instruments denominated in United States ("US") dollars. There have been no changes in the Fund's risk management strategies for the year ended December 31, 2024.

	June 30, 2025	December 31, 2024
Due (to) from broker	$ 109,197	$ (100,940)
Investments owned	99,488	
Investments sold short	(344,311)	-
	$ (135,626)	$ (100,940)

A sensitivity analysis of the impact on the Fund's net income (loss) for changes in the exchange rate on US dollars is presented below:

	June 30, 2025	December 31, 2024
Increases by 4%	$ (5,425)	$ (4,038)
Increases by 2%	(2,713)	(2,019)
No change	-	-
Decreases by 2%	2,713	2,019
Decreases by 4%	5,425	4,038