

Interim Condensed Consolidated Financial Statements (unaudited) of

ROCKY MOUNTAIN LIQUOR INC

March 31, 2026

Notice of No Auditor Review of Interim Financial Statements

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

The accompanying unaudited interim condensed consolidated financial statements of Rocky Mountain Liquor Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

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ROCKY MOUNTAIN LIQUOR INC.

Interim Condensed Consolidated Statements of Financial Position

(unaudited)

As at	Note	Mar 31, 2026 \$	Dec 31, 2025 \$
ASSETS			
CURRENT			
Cash		130,091	211,099
Accounts receivable		91,939	271,368
Inventory	4	4,237,793	3,895,131
Prepaid expenses and deposits		271,203	286,671
		4,731,026	4,664,269
NON-CURRENT			
Property and equipment		1,002,011	947,220
Intangible assets		67,033	69,655
Goodwill		4,192,323	4,192,323
Deferred tax assets		624,518	559,382
Right-of-use assets	9	8,486,095	8,478,685
		19,103,006	18,911,534
LIABILITIES			
CURRENT			
Trade and other payables	6	545,380	676,153
Operating facility	7	1,944,507	1,360,772
Current portion of lease liabilities	9	813,444	787,983
		3,303,331	2,824,908
NON-CURRENT			
Lease liabilities	9	9,047,362	9,048,969
		12,350,693	11,873,877
SHAREHOLDERS' EQUITY			
Share capital		7,427,311	7,427,311
Contributed surplus		1,024,148	1,024,148
Retained earnings (deficit)		(1,699,146)	(1,413,802)
		6,752,313	7,037,657
		19,103,006	18,911,534

The accompanying notes form an integral part of these interim condensed consolidated financial statements

Approved on behalf of the board:

Peter J. Byrne
Chair, Board of Directors

Courtney Burton
Chair, Audit Committee

ROCKY MOUNTAIN LIQUOR INC.

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity

For the 3 months ended March 31

(unaudited)

	Share capital \$	Contributed surplus \$	Retained earnings (deficit) \$	Total \$
Balance at Jan 1, 2025	7,427,311	1,024,148	(1,617,056)	8,486,370
Net comprehensive loss for the period	-	-	(330,094)	(330,094)
Balance at March 31, 2025	7,427,311	1,024,148	(1,947,150)	6,504,309
Balance at Jan 1, 2026	7,427,311	1,024,148	(1,413,802)	7,037,657
Net comprehensive loss for the period	-	-	(285,344)	(285,344)
Balance at March 31, 2026	7,427,311	1,024,148	(1,699,146)	6,752,313

The accompanying notes form an integral part of these interim condensed consolidated financial statements

ROCKY MOUNTAIN LIQUOR INC.

Interim Condensed Consolidated Statements of Comprehensive Loss

(unaudited)

For the 3 months ended March 31

	Note	2026 \$	2025 \$
Sales		7,586,094	8,043,904
Cost of sales	4	5,875,721	6,219,124
Gross margin		1,710,373	1,824,780
Operating and administrative expenses		1,623,077	1,713,833
Income from operations before depreciation and other		87,296	110,947
Property and equipment depreciation		59,250	69,111
Intangible asset depreciation		2,622	2,655
Right-of-use equipment depreciation	9	214,219	224,843
Finance costs on lease liabilities	9	133,346	132,797
Other expenses (income)			
Finance costs	7	22,600	36,187
Loss on disposal of property and equipment, intangible assets and goodwill	5	5,739	66,318
Gain on lease termination	9	-	(12,251)
Store closure expenses		-	41,381
		437,776	561,041
Loss before tax		(350,480)	(450,094)
Deferred income tax (recovery)		(65,136)	(120,000)
Net comprehensive loss		(285,344)	(330,094)
Basic loss per share	8	(0.01)	(0.01)
Diluted loss per share	8	(0.01)	(0.01)

The accompanying notes form an integral part of these interim condensed consolidated financial statements

ROCKY MOUNTAIN LIQUOR INC.

Interim Condensed Consolidated Statements of Cash Flows

(unaudited)

For the 3 months ended March 31

	Note	2026 \$	2025 \$
OPERATING ACTIVITIES			
Net comprehensive loss		(285,344)	(330,094)
Items not affecting cash			
Property and equipment depreciation		59,250	69,111
Intangible assets depreciation		2,622	2,655
Loss on disposal of property and equipment, intangible assets and goodwill	5	5,739	66,318
Gain on lease termination	9	-	(12,251)
Deferred income tax (recovery)		(65,136)	(120,000)
Right-of-use assets depreciation	9	214,219	224,843
Changes in non-cash working capital	10	(278,538)	20,951
Cash flow used in operating activities		(347,188)	(78,467)
INVESTING ACTIVITIES			
Purchase of property and equipment		(119,780)	(72,814)
Purchase of intangible assets		-	(1,280)
Proceeds on disposal of property and equipment	5	-	153,883
Cash flow (used in) from investing activities		(119,780)	79,789
FINANCING ACTIVITIES			
Proceeds from operating facility	7	3,003,340	2,848,460
Principal repayments on operating facility	7	(2,419,605)	(2,651,938)
Principal portion of lease payments	9	(197,775)	(215,394)
Cash flow from (used in) financing activities		385,960	(18,872)
DECREASE IN CASH		(81,008)	(17,550)
CASH - BEGINNING OF PERIOD		211,099	212,136
CASH - END OF PERIOD		130,091	194,586
CASH FLOWS SUPPLEMENTARY INFORMATION			
Interest paid on operating facility	7	22,600	36,187
Interest paid on leases	9	133,346	132,797
Income taxes paid		-	-

The accompanying notes form an integral part of these interim condensed consolidated financial statements

1. NATURE OF OPERATIONS

Rocky Mountain Liquor Inc. ("Rocky Mountain Liquor", or "RML") is incorporated under the Canada Business Corporations Act, and is a tier one issuer with its common shares listed on the TSX Venture Exchange (under the symbol "RUM"). The Company's registered corporate office is located at 11478 149 Street, Edmonton, Alberta, T5M 1W7.

Rocky Mountain Liquor is the parent to a wholly owned subsidiary, Andersons Liquor Inc. ("Andersons"), acquired through a reverse takeover ("RTO") on December 1, 2008. As at March 31, 2026, Andersons operated 22 (2024 – 22) retail liquor stores in Alberta, selling beer, wine, spirits, ready to drink products, as well as ancillary items such as juice, ice, soft drinks and giftware.

These consolidated financial statements have been approved for issue by the Board of Directors on May 26, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim condensed consolidated financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting, and do not include all of the information required for full annual financial statements. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the Company's 2025 audited annual consolidated financial statements and notes thereto for the year ended December 31, 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

Basis of preparation and significant accounting policies

The interim condensed consolidated financial statements have been prepared on the historical cost basis except where otherwise specified. The accounting policies applied by the Company in these interim condensed consolidated financial statements are consistent with those used in the annual audited consolidated financial statements for the year ended December 31, 2025.

New Accounting Pronouncements

IFRS Accounting Standard 9, "Financial Instruments" and IFRS Accounting Standard 7, "Financial Instruments: Disclosures"

In May 2024, amendments to IFRS Accounting Standard 9, "Financial Instruments" and IFRS Accounting Standard 7, "Financial Instruments: Disclosures" were issued. The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income (loss).

These amendments are effective for annual periods beginning on or after January 1, 2026. Prior periods are not required to be restated and can only be restated without using hindsight.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

The Company has adopted these amendments using the prospective application. The impact on adoption is a \$4,542 decrease to the operating facility balance as at March 31, 2026. There were no impacts to the cash balance on January 1, 2026.

Future Accounting Pronouncements

IFRS Accounting Standard 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS Accounting Standard 18, Presentation and Disclosure in Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three main categories of operating, investing and financing, and by specifying certain defined totals and subtotals.

IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management-defined performance measures. IFRS 18 will not affect the recognition and measurement of items in the consolidated financial statements, nor will it affect which items are classified in other comprehensive income (loss) and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required and early application is permitted. The Company is currently assessing the effect of this new standard on the consolidated financial statements.

3. RELATED PARTY TRANSACTIONS

Transactions with Related Parties

During the 3 months ended March 31, 2026, the Company paid rents of \$16,746 (March 2025 - \$24,850) in respect of two retail liquor stores (March 2025 – three) to a privately held company in which a director is a significant shareholder.

Key Management Personnel Compensation

The remuneration of Directors and other members of key management personnel during the 3 months ended March 31, 2026 was \$151,147 (2025 - \$154,120). There are no other short-term, long-term, termination or post-retirement benefits extended to any Directors and other members of key management personnel of the Company.

4. INVENTORY

The cost of inventory recognized as an expense and included in cost of sales for the 3 months ended March 31, 2026 was \$5,875,721 (March 2025 - \$6,219,124). No inventory write downs were recognized in 2026 or 2025.

5. SALE OF RETAIL STORE

In the 3 month period ended March 31, 2026, the Company sold nil stores (March 2025 – one). The proceeds from the 2025 store sale were allocated to the assets as follows:

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ROCKY MOUNTAIN LIQUOR INC.
Notes to Interim Condensed Consolidated Financial Statements
March 31, 2026

5. SALE OF RETAIL STORE (continued)

	2026	2025
Cash consideration	\$ -	\$ 153,883
Inventory	-	103,883
Property and equipment	-	70,083
Intangible asset	-	724
Loss on disposal of property and equipment and intangible assets	\$ -	\$ (20,807)

The sale of the retail store in 2025 resulted in the disposal of a portion of goodwill allocated to the associated liquor store CGU based on the relative fair value of the store sold and the CGU retained. 2026 - \$nil (2025 – \$33,914). This amount has been included in loss on disposal of property and equipment, intangible assets and goodwill on the interim consolidated statements of comprehensive loss for the period ending March 31, 2025.

6. TRADE AND OTHER PAYABLES

	March 31, 2026	December 31, 2025
Trade payables and accrued liabilities	\$ 418,583	\$ 512,717
Deferred revenue	144,967	126,121
Goods and services tax payable - net	(18,170)	37,315
	\$ 545,380	\$ 676,153

Deferred revenue consists of unearned revenue related to gift cards and customer loyalty program points. Deferred revenue will be recognized as revenue as customers utilize gift cards and loyalty points are redeemed.

7. OPERATING FACILITY

Through Toronto-Dominion Bank (“TD”), the Company has an operating facility with availability up to a maximum of \$4,000,000. The interest rate on the operating facility is prime plus 1.25% per annum. As at March 31, 2026, the interest rate applicable to the operating facility was 5.70% (December 2025 – 5.70%).

The operating facility availability is calculated as the lesser of i) \$4,000,000 and ii) 75% of accounts receivable to a maximum of \$1,000,000, plus 70% of the value of inventory plus goods and services tax and bottle deposits, less trade payables related to liquor and unremitted source deductions, plus up to \$250,000 cash-in-transit allowances. Interest payments are due monthly.

The operating facility is secured by a general security agreement representing a first charge on all assets. Principal repayments on and proceeds from the operating facility are disclosed on the interim condensed consolidated statements of cash flows.

Below is a summary of the activity of the operating facility for the 3 months ended March 31:

	2026	2025
Opening balance	\$ 1,360,772	\$ 1,981,915
Finance costs	22,600	36,187
Repayments	(2,442,205)	(2,688,125)
Principal repayments on operating facility	(2,419,605)	(2,651,938)
Proceeds from operating facility	3,003,340	2,848,460
Balance at March 31	\$ 1,944,507	\$ 2,178,437

8. LOSS PER COMMON SHARE

Basic and diluted loss per common share is calculated by dividing the net comprehensive loss attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period.

Below is the calculation of the basic and diluted loss per common share for the 3 months ended March 31:

	2026	2025
Net comprehensive loss	\$ (285,344)	\$ (330,094)
Weighted average number of common shares outstanding during the period	47,827,775	47,827,775
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)

9. RIGHT-OF-USE-ASSETS AND LEASE LIABILITIES

The Company's leases pertain solely to retail locations (buildings) that are subject to minimum rent payments excluding the Company's proportion of occupancy costs. Lease commitments are based on the current lease term, including renewal periods if it is reasonably certain that they will be exercised. In addition to leases with fixed minimum rental payments, the Company has one lease with a five-year term where monthly rent is based on a percentage of sales.

During the 3 month period ended March 31, 2025, the Company completed the sale of one store, resulting in the derecognition of related lease liabilities and right-of-use assets under IFRS 16. The transaction led to a gain of \$12,251 (March 2026 – \$nil) recognized on the interim condensed consolidated statements of comprehensive loss.

Right-of-use assets: Below is a summary of the activity related to the Company's right-of-use assets for the 3 months ended March 31:

	2026	2025
Opening balance	\$ 8,478,685	\$ 9,164,909
Lease remeasurement adjustment	221,629	(134,354)
Gain on lease termination	-	12,251
Right-of-use assets depreciation	(214,219)	(224,843)
Balance at March 31	\$ 8,486,095	\$ 8,817,963

Lease liabilities: Below is a summary of the activity related to the Company's lease liabilities for the 3 months ended March 31:

	2026	2025
Opening balance	\$ 9,836,952	\$ 10,369,841
Lease remeasurement adjustment	221,629	(134,354)
Finance costs on lease liabilities	133,346	132,797
Lease payments	(331,121)	(348,191)
Principal portion of lease liabilities	(197,775)	(215,394)
Balance at March 31	\$ 9,860,806	\$ 10,020,093
Current portion of lease liabilities	\$ 813,444	\$ 1,315,291
Non-current lease liabilities	9,047,362	8,704,802
Balance at March 31	\$ 9,860,806	\$ 10,020,093

10. CHANGES IN NON-CASH WORKING CAPITAL ITEMS

	March 31, 2026	March 31, 2025
Cash provided by (used in)		
Accounts receivable	\$ 179,429	\$ 181,853
Inventory	(342,662)	(135,903)
Prepaid expenses and deposits	15,468	(51,967)
Trade and other payables	(130,773)	26,968
	\$ (278,538)	\$ 20,951

11. FINANCIAL INSTRUMENTS

The fair value of cash, accounts receivable, trade and other payables approximates their carrying value due to their short-term nature. The fair value of the operating facility approximates its carrying value as the instruments carry interest rates that reflect the current market rates available to the Company.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's objective in managing liquidity risk is to ensure it has access to sufficient cash and available credit facilities to meet its short- and long-term obligations under both normal and stressed conditions. The Company manages liquidity risk through the preparation of detailed annual budgets, regular cash flow forecasts, and ongoing monitoring of actual results against forecast. Liquidity is also assessed in the context of maintaining compliance with the borrowing base condition under the Company's operating facility, and by evaluating current market conditions, capital needs, and available sources of financing.

The Company is currently reliant on its revolving operating credit facility, which is a demand facility with a maturity date in July 2026. While the facility remains available and the borrowing base condition as at March 31, 2026, showed a surplus of \$1,284,807, the facility is subject to periodic review and renewal by the lender in the normal course. Given the demand nature of the facility and the fact it is subject to annual renewal, there is a risk the facility may not be renewed or renewed on similar terms.

Despite the net comprehensive loss in the current period, management believes that the Company's existing operating facility, combined with forecasted operating cash flows, will be sufficient to meet its obligations as they come due over the next 12 months. Management is actively monitoring cash flows and evaluating strategic and operational initiatives to support improved performance and to ensure continued access to liquidity. These may include working capital optimization, cost containment strategies, and discussions with lenders.

There can be no assurance that additional financing, if required, will be available on terms acceptable to the Company or at all. However, based on current forecasts and financial position, management does not anticipate a liquidity shortfall in the near term.