

Interim Condensed Consolidated Financial Statements of

THS MAPLE HOLDINGS Ltd.

Three months ended September 30, 2025 and 2024

(Unaudited – Prepared by management)

THS MAPLE HOLDINGS Ltd.

Interim Condensed Consolidated Financial Statements

Three months ended September 30, 2025 and 2024

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These interim condensed consolidated financial statements have not been reviewed by our external auditors.

THS Maple Holdings Ltd.
Condensed Consolidated Statements of Financial Position
(In Canadian dollars)
As at

	September 30, 2025	June 30, 2025
	\$	\$
ASSETS		
Current		
Cash	186,852	79,782
Trade and other receivables	2,203,526	2,063,358
Inventories	6,804,272	6,070,252
Prepaid expenses	330,369	216,202
	<u>9,525,019</u>	<u>8,429,594</u>
Non-current		
Property and equipment	785,703	673,529
Intangible assets	150,768	179,737
Right-of-use assets (Note 6)	2,235,475	2,313,770
	<u>12,696,965</u>	<u>11,596,630</u>
LIABILITIES		
Current		
Bank indebtedness (Note 4)	4,146,726	3,412,307
Bank demand loans (Note 5)	171,322	926,476
Trade and other payables	3,037,267	2,076,357
Deferred revenues	165,782	217,228
Current portion of balance of purchase price (Note 5)	66,667	66,667
Current portion of lease liabilities (Note 6)	491,781	491,781
	<u>8,079,545</u>	<u>7,190,816</u>
Non-current		
Non-current portion of lease liabilities (Note 6)	2,012,682	2,062,019
Loans from companies controlled by two directors (Note 5)	4,095,000	3,820,000
Non-current portion of balance of purchase price (Note 5)	48,718	64,103
	<u>14,235,945</u>	<u>13,136,938</u>
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 7)	8,232,020	8,232,020
Contributed surplus	413,335	409,320
Deficit	<u>(10,184,335)</u>	<u>(10,181,648)</u>
TOTAL SHAREHOLDERS' DEFICIENCY	<u>(1,538,980)</u>	<u>(1,540,308)</u>
TOTAL SHAREHOLDERS' DEFICIENCY AND LIABILITIES	<u>12,696,965</u>	<u>11,596,630</u>

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

THS Maple Holdings Ltd.**Condensed Consolidated Statements of Comprehensive Income (Loss)**

(In Canadian dollars, except per share amounts)

Three months ended September 30, 2025 and 2024

	September 30, 2025	September 30, 2024
	<u>\$</u>	<u>\$</u>
Sales	4,918,526	4,666,560
Cost of sales	<u>3,619,736</u>	<u>3,512,310</u>
Gross profit	1,298,790	1,154,250
Operating expenses		
Selling expenses (Note 8)	378,310	409,137
Administrative expenses (Note 8)	683,309	563,679
	<u>1,061,619</u>	<u>972,816</u>
Operating income	237,171	181,434
Finance costs (Note 8)	249,722	145,064
Other income	(9,864)	(7,187)
	<u>239,858</u>	<u>137,877</u>
Income (loss) before income taxes	(2,687)	43,557
Income tax expense	<u>-</u>	<u>136</u>
Net income (loss) and comprehensive income (loss) for the period	<u>(2,687)</u>	<u>43,421</u>
Net income (loss) per share (Note 11)		
Basic and diluted	<u>-</u>	<u>0.001</u>

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

THS Maple Holdings Ltd.**Condensed Consolidated Statements of Changes in Shareholders' Equity (Deficiency)**

(In Canadian dollars, except for share amounts)

Three months ended September 30, 2025 and 2024

	Share capital		Contributed Surplus	Deficit	Shareholders' Equity (Deficiency)
	Number	Amount			
		\$	\$	\$	\$
Balance as at June 30, 2024	60,339,100	8,232,020	400,000	(8,634,008)	(1,988)
Net income and comprehensive income	-	-	-	43,421	43,421
Balance at September 30, 2024	<u>60,339,100</u>	<u>8,232,020</u>	<u>400,000</u>	<u>(8,590,587)</u>	<u>41,433</u>
Balance as at June 30, 2025	60,339,100	8,232,020	409,320	(10,181,648)	(1,540,308)
Share-based compensation (Note 7)	-	-	4,015	-	4,015
Net loss and comprehensive loss	-	-	-	(2,687)	(2,687)
Balance at September 30, 2025	<u>60,339,100</u>	<u>8,232,020</u>	<u>413,335</u>	<u>(10,184,335)</u>	<u>(1,538,980)</u>

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

THS Maple Holdings Ltd.
Condensed Consolidated Statements of Cash Flows
(In Canadian dollars)
Three months ended September 30, 2025 and 2024

	September 30, 2025	September 30, 2024
	\$	\$
OPERATING ACTIVITIES		
Net income (loss)	(2,687)	43,421
Non-cash items		
Depreciation of property and equipment	33,396	29,867
Depreciation of intangible assets	28,969	39,047
Depreciation of right-of-use assets (Note 6)	78,295	43,192
Share-based compensation (Note 7)	4,015	-
Changes in non-cash working capital items		
Trade and other receivables	(140,168)	(416,800)
Inventories	(734,020)	487,966
Prepaid expenses	(114,167)	11,354
Trade and other payables	960,910	(147,656)
Deferred revenues	(51,446)	(16,860)
	<u>(78,891)</u>	<u>(81,996)</u>
Cash flows from operating activities	<u>63,097</u>	<u>73,531</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(145,570)	(25,815)
Cash flows from investing activities	<u>(145,570)</u>	<u>(25,815)</u>
FINANCING ACTIVITIES		
Net change in bank indebtedness	734,419	265,960
Bank demand loan repayments	(755,154)	(8,707)
Loans from companies controlled by two directors	375,000	-
Repayment of loans from companies controlled by two directors	(100,000)	
Repayment of balance of purchase price	(15,385)	(45,385)
Repayment of lease liabilities (Note 6)	(49,337)	(32,864)
Cash flows from financing activities	<u>189,543</u>	<u>179,004</u>
Net increase in cash	107,070	226,720
Cash, beginning of period	<u>79,782</u>	<u>16,300</u>
Cash, end of period	<u><u>186,852</u></u>	<u><u>243,020</u></u>

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

THS Maple Holdings Ltd.

Notes to the Condensed Consolidated Financial Statements

Three months ended September 30, 2025 and 2024

1 – GOVERNING STATUTES AND NATURE OF OPERATIONS

THS Maple Holdings Ltd. (“THS”) was incorporated on April 14, 2021 under the provisions of the Business Corporations Act (British Columbia) and was continued under the Business Corporations Act (Ontario) since the completion of the Qualifying Transaction. Prior to April 26, 2024, THS was listed on the TSX Venture Exchange (the “Exchange”) as a capital pool company (“CPC”) as defined in the provisions of Policy 2.4 of the Exchange.

THS and its subsidiaries’ (collectively referred to as the “Company”) principal business is to bottle, package, sell and distribute high quality maple syrup and maple-flavored products to retail partners and direct to consumers in Canada and over 20 other countries. In its facility in Granby, Quebec, the Company purchases, stores and bottles maple syrup in over 100 different formats under its proprietary brands Turkey Hill, Echo Mountain, Herman’s 76 and New England Maple Farms. The Company also operates two retail kiosk stores and has a storage and distribution site in Vermont. Working with its manufacturing partners, THS also sells products such as cookies, candies, chocolates and beverages, all with maple flavoring, under the same brands.

These unaudited interim condensed consolidated financial statements (“consolidated financial statements”) are as at September 30, 2025 and June 30, 2025, and for the three months ended September 30, 2025 and 2024.

The Company’s common shares are listed on the Exchange under the symbol YAY and the Company’s head office and principal place of business is in Granby, Quebec, Canada.

2 – BASIS OF PREPARATION

Statement of compliance

These unaudited condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). Certain information and footnote disclosures normally included in annual audited consolidated financial statements prepared in accordance with International Financial Reporting Standards, as issued by IASB (“IFRS Accounting Standards”), have been omitted or condensed and, therefore, these consolidated financial statements should be read in conjunction with the most recent annual audited consolidated financial statements for the year ended June 30, 2025. The results from operations for the interim period do not necessarily reflect the result expected for the full fiscal year. The Company’s sales have historically experienced some fluctuations from quarter to quarter and the Company expects to continue to experience seasonal variations in its sales in the foreseeable future. As a result, it is difficult to predict if any historical trends will be reproduced in the future.

The unaudited condensed consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for these interim periods. These adjustments are of a normal recurring nature.

2 – BASIS OF PREPARATION (Continued)

The issuance of these unaudited condensed consolidated financial statements was approved by the Board of Directors on November 25, 2025.

Basis of presentation

The unaudited condensed interim consolidated financial statements are prepared on a going concern basis under the historical cost convention.

Going concern

The consolidated net income (loss) and comprehensive income (loss) for the three months ended September 30, 2025 was (\$2,687) (net income and comprehensive income of \$43,421 for the three months ended September 30, 2024). Additionally, the Company reported consolidated cash flows from operations (before changes in non-cash working capital) of \$141,988 for the three months ended September 30, 2025 (cash flows from operations of \$155,527 for the three months ended September 30, 2024). As at September 30, 2025, the Company had a consolidated accumulated deficit of \$10,184,335 (June 30, 2025 - \$10,181,648) and a consolidated working capital of \$1,445,474 (June 30, 2025, a consolidated working capital of \$1,238,778).

The operations and consolidated net loss for the three months ended September 30, 2025 resulted in the Company still being in breach of its bank covenants under the terms of its credit agreement (see Note 4). A tolerance letter has been requested by the Company from the bank. These material uncertainties may cast significant doubt regarding the Company's ability to continue as a going concern.

In response to the above bank situation, the Company is undertaking a number of programs (additional storage and distribution sites in Canada and the US, international sales expansion) to enhance its sales and future cash flows, to meet its obligations and to fund its ongoing business operations.

The Company's ability to meet the covenant measurements under the terms of its credit agreement with its lender is still dependent upon continued improvement in profitable commercial operations, continued funding support from its lender and shareholders, and new equity and debt placements. However, there can be no assurance that management will be successful in this regard. These consolidated financial statements do not include any adjustments to the carrying value of assets or liabilities, to the recoverable amounts or the reported expenses and consolidated statement of financial position classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

Functional currency

These unaudited condensed consolidated financial statements are presented in Canadian dollars, which is THS' functional currency as well as all of its subsidiaries.

3 – MATERIAL ACCOUNTING POLICIES

Overall considerations

The Company applied the same accounting policies in the preparation of these condensed interim consolidated financial statements as those disclosed in Note 3 of its most recent annual audited consolidated financial statements for the year ended June 30, 2025.

When preparing the unaudited condensed consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. The Company applied the same judgments, estimates and assumptions in the consolidated financial statements, including the key sources of estimation uncertainty, as those disclosed in Note 2, of its most recent annual audited consolidated financial statements for the year ended June 30, 2025.

New standards, amendments and interpretations not yet adopted by the Company

IFRS 18- Presentation and Disclosure in Financial Statements (“IFRS 18”)

In April 2024 the IASB issued IFRS 18 which will replace *IAS 1, Presentation of Financial Statements* and aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in *IAS 7 Statement of Cash Flows*. This new standard is effective for periods beginning on or after January 1, 2027. The Company has not yet determined the impact to the unaudited condensed consolidated financial statements from the adoption of this standard.

Other

At the date of authorization of these unaudited condensed consolidated financial statements, new standards, amendments and interpretations of existing standards have been published by the IASB, but are not yet applicable, and have not been early adopted by the Company.

Management of the Company anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's unaudited condensed consolidated financial statements.

4 – BANK INDEBTEDNESS

The bank indebtedness consists of a revolving line of credit, for a maximum authorized amount of \$5,000,000, bears interest at the prime rate and is in the process of being renewed.

Under the provisions of the bank overdraft, the Company is required to respect certain covenants. As at September 30, 2025, the Company is not in compliance with all of its covenants. The bank is currently tolerating the breach. A tolerance letter has been requested by the Company from the bank.

THS Maple Holdings Ltd.

Notes to the Condensed Consolidated Financial Statements

Three months ended September 30, 2025 and 2024

5 – BANK DEMAND LOANS, LOANS FROM COMPANIES CONTROLLED BY DIRECTORS AND BALANCE OF PURCHASE PRICE

	September 30, 2025	June 30, 2025
Bank demand loans	\$	\$
Bank overdraft facility for an authorized amount of \$750,000, prime rate plus 1% (5.70%; 5.95% as at June 30, 2025), out of which an amount of \$600,000 is guaranteed by the Export Development Canada (“EDC”) matured in October 2025	-	749,595
Bank demand loan, 4%, guaranteed by EDC, payable in monthly capital instalments of \$2,315, maturing in June 2031	162,036	166,666
Bank demand loan, prime rate (4.70%; 4.95% as at June 30, 2025), payable in monthly capital instalments of \$464, maturing in April 2027	9,286	10,215
	171,322	926,476
	September 30, 2025	June 30, 2025
Loans from companies controlled by directors	\$	\$
Loans from companies controlled by two directors, 8% interest per year, without repayment terms, repayable at any time.	4,095,000	3,820,000
	4,095,000	3,820,000
Current portion	-	-
Long-term portion	4,095,000	3,820,000
	September 30, 2025	June 30, 2025
Balance of purchase price	\$	\$
Balance of purchase price from lease transfer agreement, non-interest bearing, with \$30,000 payable on or before August 1, 2024 and the balance payable in bi-weekly equal instalments of \$2,564 starting June 1, 2024, for a period of 36 months	115,385	130,770
Current portion	66,667	66,667
Long-term portion	48,718	64,103

THS Maple Holdings Ltd.
Notes to the Condensed Consolidated Financial Statements
Three months ended September 30, 2025 and 2024

6 – RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company leases real estate for office, production and warehouse space located in Granby and Vermont.

	<u>Carrying Value</u>
	\$
Cost	
Balance as at June 30, 2025	3,013,377
Additions	-
Balance as at September 30, 2025	<u><u>3,013,377</u></u>
Accumulated depreciation	
Balance as at June 30, 2025	699,607
Depreciation	78,295
Balance as at September 30, 2025	<u><u>777,902</u></u>
Carrying amounts	
As at June 30, 2025	2,313,770
As at September 30, 2025	2,235,475
Lease liabilities	
Balance as at June 30, 2025	2,553,800
Additions	-
Lease interest	80,752
Lease payments	(130,089)
Balance as at September 30, 2025	<u><u>2,504,463</u></u>
Current portion	491,781
Non-current portion	2,012,682

THS Maple Holdings Ltd.
Notes to the Condensed Consolidated Financial Statements
Three months ended September 30, 2025 and 2024

7 – SHARE CAPITAL

Share capital

(A) Common shares

Authorized:

The authorized capital of the Company consists of an unlimited number of common shares. The Company has 60,339,100 issued and outstanding common shares.

(B) Stock options

Pursuant to the January 22 and March 5, 2025 stock option grants, a share-based compensation expense of \$4,015 (nil for 2024) was recognized in Administrative expenses in the unaudited condensed consolidated statements of income (loss).

During the three months ended September 30, 2025, there were no option grants, exercises, terminations or expiries.

8 – ADDITIONAL INFORMATION ON COMPREHENSIVE INCOME (LOSS)

The following summarizes selling, administrative expenses and finance costs:

	September 30, 2025	September 30, 2024
	\$	\$
Selling expenses		
Shipping expenses	195,334	210,865
Commissions and consulting fees	111,412	115,835
Advertising and sales promotions	23,989	31,265
Travelling and meals	42,117	46,611
Other selling expenses	5,458	4,561
	<u>378,310</u>	<u>409,137</u>
Administrative expenses		
Salaries and benefits	342,136	290,540
Professional fees	142,383	119,627
Supplies and office expenses	42,172	19,630
Bank and credit payment charges	25,605	27,964
Regulatory and certification	908	12,099
Depreciation – right-of-use assets	78,295	43,192
Insurance	17,227	10,333
Other administrative expenses	34,583	40,294
	<u>683,309</u>	<u>563,679</u>
Finance costs		
Interest on loans from companies controlled by two directors	88,352	47,884
Interest on bank loans	80,618	60,749
Interest on lease liabilities	80,752	36,431
	<u>249,722</u>	<u>145,064</u>

THS Maple Holdings Ltd.**Notes to the Condensed Consolidated Financial Statements**

Three months ended September 30, 2025 and 2024

9 – FINANCIAL INSTRUMENTS**Credit risk**

Credit risk is the risk that the Company will incur a financial loss if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. It arises primarily from the Company's trade accounts receivables.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the financial assets that are not impaired or past due for each of the reporting dates presented are of good credit quality. The Company has never experienced any significant credit losses. Consequently, credit risk is not considered material.

Liquidity risk

The Company's liquidity risk represents the risk that the Company could encounter difficulty in meeting obligations associated with its financial liabilities. The Company is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized on the balance sheet.

The Company manages liquidity risk by monitoring forecasted and actual cash flows, minimizing reliance on any single source of credit, and maintaining committed credit facilities.

The following table presents the contractual maturities of the Company's financial liabilities:

	September 30, 2025		
	Due within 1 year	Due 1 to 5 years	Total
Financial liabilities	\$	\$	\$
Bank indebtedness	4,146,726	-	4,146,726
Bank demand loans	171,322	-	171,322
Loans from companies controlled by two directors	-	4,095,000	4,095,000
Interest on financial liabilities	529,414	117,139	646,553
Trade and other payables (1)	2,896,454	-	2,896,454
Balance of purchase price	66,667	48,718	115,385
	7,810,583	4,260,857	12,071,440

9 – FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (continued)

	June 30, 2025		
	Due within 1 year	Due 1 to 5 years	Total
Financial liabilities	\$	\$	\$
Bank indebtedness	3,412,307	-	3,412,307
Bank demand loans	782,943	143,533	926,476
Loans from companies controlled by two directors	-	3,820,000	3,820,000
Interest on financial liabilities	526,282	189,485	715,767
Trade and other payables (1)	1,898,205	-	1,898,205
Balance of purchase price	66,667	64,103	130,770
	6,686,404	4,217,121	10,903,525

(1) Excluding salaries and employee benefits

The Company has \$1,463,296 (June 30, 2025: \$1,800,427) remaining to pay related to an agreement to purchase an original estimated volume of 815,000 pounds of maple syrup from the Producteurs et Productrices Acéricoles du Québec (PPAQ) in fiscal years 2026 and 2025.

Market risks

Foreign currency risk

The majority of the Company's transactions are in Canadian dollars. Currency risk results from the Company's sales and purchases denominated in foreign currency which are primarily in U.S. dollars. As at September 30, 2025, the Company is exposed to currency risk due to cash, trade accounts receivable denominated in U.S. dollars totaling CAD 350,232 (CAD 415,160 as at June 30, 2025).

Interest rate risk

The Company is exposed to interest rate risk with respect to financial liabilities bearing fixed and variable interest rates.

One of the bank demand loans and the loans from companies controlled by two directors bear interest at a fixed rate and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

The bank indebtedness and other bank demand loans bear interest at a variable rate and the Company is, therefore, exposed to the cash flow risk resulting from interest rate fluctuations.

Management has determined that the sensitivity on possible changes in interest rates is minimal for the three months ended September 30, 2025 and year ended June 30, 2025.

Other Price Risk

The Company is exposed to increases in the prices of commodities in operating its distribution networks, as well as to the indirect effect of changing commodity prices on the price of its products. Rising commodity prices could adversely affect the financial performance of the Company.

9 – FINANCIAL INSTRUMENTS (Continued)

Fair value measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- 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 or indirectly
- Level 3: unobservable inputs for the asset or liability.

Cash, trade and other receivables (except indirect taxes receivable), bank indebtedness, bank demand loans and trade and other payables are measured based on Level 1 and their carrying values are considered to be a reasonable approximation of their fair value because of their short-term maturity. Loans from companies controlled by directors and the balance of purchase price are measured based on Level 2 and their carrying values are considered to be a reasonable approximation of their fair value because there were no significant changes during the period in the assumptions used for the fair value determined at inception.

The Company has no non-financial assets measured at fair value.

10 – REVENUES

The following is a summary of the Company's total revenues by geography:

	September 30, 2025	September 30, 2024
	\$	\$
Canada	4,234,023	4,023,407
Asia	150,125	83,417
Austria	29,265	-
Costa Rica	21,304	-
France	10,147	328
Malta	7,540	7,540
Netherlands	4,060	3,072
Saudi Arabia	-	14,803
Switzerland	135,051	26,081
United Arab Emirates	-	5,766
United Kingdom	6,483	19,824
United States of America	320,528	482,322
	4,918,526	4,666,560

THS Maple Holdings Ltd.
Notes to the Condensed Consolidated Financial Statements
Three months ended September 30, 2025 and 2024

11 – NET INCOME (LOSS) PER SHARE

	September 30, 2025	September 30, 2024
	<u>\$</u>	<u>\$</u>
Net income (loss)	(2,687)	43,421
Basic weighted average number of common shares outstanding	60,339,100	60,339,100
Effect of stock options	-	382,420
Diluted weighted average number of common shares outstanding	60,339,100	60,721,520
Basic income (loss) per share	-	0.001
Diluted income (loss) per share	-	0.001

The effect of outstanding options has not been included in the calculation of diluted loss per share as at September 30, 2025 as the outstanding options would be anti-dilutive.

12 – SUBSEQUENT EVENTS

On September 2, 2025, the Company signed a Licence Agreement (the “Agreement”) providing for the rental of a portion of a Grande Prairie, Alberta mall’s premises to operate a retail kiosk. This Agreement is effective on October 1, 2025 and will expire on September 30, 2026. As part of the Agreement, the Company will pay a fixed minimum rental fee as well as a percentage fee calculated as a portion of the kiosk’s gross revenue. Minimum payments for the next two years are \$20,500 in fiscal year 2026 and \$6,000 in fiscal year 2027.

On September 21, 2025, the Company signed an Offer to Lease Agreement (the “Lease”) providing for the rental of approximately 4,400 square feet of warehouse and office space in Delta, BC. This Agreement is effective on November 1, 2025 for a two-year term, and will enable the Company to better serve and supply its BC-area customers and reduce corresponding freight costs. Minimum payments for the next 3 years are \$72,800 in fiscal year 2026, \$109,200 in fiscal year 2027 and \$36,400 in fiscal year 2028.