

Please find enclosed the 2026 Annual Report of S.H. Resources and Development Corporation and its Financial Statements for the fiscal years April 2024 – March 2025 and April 2025 – March 2026.

S.H. RESOURCES AND DEVELOPMENT CORPORATION
2620 Hutton Drive
Beverly Hills, California 90210

June 1, 2026

To the Shareholders of S.H. Resources and Development Corporation (the “Company”):

This letter reports to you on the developments at the Company during the past year.

As of March 31, 2026, the Company held an investment in Federated Hermes US Treasury Cash Reserves. Such securities are classified as cash equivalents and were recorded at a market value of \$911,108 as of March 31, 2026.

The foregoing investment in Federated Hermes US Treasury Cash Reserves was liquidated on April 1, 2026. Upon its liquidation, the Company invested \$913,644.90 into a separate investment in Federated Hermes US Treasury Cash Reserves.

As part of its ongoing evaluation of new investment and other opportunities, the Company continues to review possible investments and other opportunities.

Respectfully submitted,

/s/ Eli Schneidman

Eli Schneidman, Vice President

S. H. RESOURCES AND DEVELOPMENT
CORPORATION AND SUBSIDIARY

FINANCIAL STATEMENTS

MARCH 31, 2026 AND 2025



S. H. RESOURCES AND DEVELOPMENT
CORPORATION AND SUBSIDIARY

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MARCH 31, 2026 AND 2025

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
S. H. Resources and Development Corporation and Subsidiary
Beverly Hills, California

We have reviewed the accompanying consolidated financial statements of S.H. Resources and Development Corporation (a Utah corporation) and Subsidiary, which comprise the consolidated balance sheets as of March 31, 2026 and 2025, and the related consolidated statements of operations, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the consolidated financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of S.H. Resources and Development Corporation and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Winningham Becker & Company, LLP

Woodland Hills, California

April 30, 2026

S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2026 AND 2025

		<u>ASSETS</u>	
		<u>2026</u>	<u>2025</u>
Assets			
Current assets			
Cash and cash equivalents		\$ 920,077	\$ 982,005
Other receivables		3,486	3,486
Total current assets		<u>923,563</u>	<u>985,491</u>
Total assets		<u>\$ 923,563</u>	<u>\$ 985,491</u>
 <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> 			
Liabilities			
Payable to officer		\$ 431,126	\$ 381,126
Total liabilities		<u>431,126</u>	<u>381,126</u>
Shareholders' equity			
Common stock, \$0.001 par value			
200,000,000 shares authorized			
81,600,000 shares issued and outstanding		81,600	81,600
Additional paid-in capital		1,029,037	1,029,037
Accumulated deficit		<u>(618,200)</u>	<u>(506,272)</u>
Total shareholders' equity		<u>492,437</u>	<u>604,365</u>
Total liabilities and shareholders' equity		<u>\$ 923,563</u>	<u>\$ 985,491</u>

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
Operating expenses		
Consulting fees	\$ 50,000	\$ 50,000
Administrative expenses	95,970	69,831
Total operating expenses	<u>145,970</u>	<u>119,831</u>
Other income		
Interest income	44,302	39,136
Realized gain on sale of securities	766	-
Unrealized gain (loss) on securities	<u>(10,126)</u>	<u>5,842</u>
Total other income	<u>34,942</u>	<u>44,978</u>
Loss before provision for income taxes	(111,028)	(74,853)
Income tax provision	<u>(900)</u>	<u>(900)</u>
Net loss	<u><u>\$ (111,928)</u></u>	<u><u>\$ (75,753)</u></u>

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

	<u>Common Stock</u>		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)
	Number of Shares Issued and Outstanding	Amount		
Balance - March 31, 2024	81,600,000	\$ 81,600	\$ 1,029,037	\$ (430,519)
Net loss	-	-	-	(75,753)
Balance - March 31, 2025	81,600,000	\$ 81,600	\$ 1,029,037	\$ (506,272)
Net loss	-	-	-	(111,928)
Balance - March 31, 2026	<u>81,600,000</u>	<u>\$ 81,600</u>	<u>\$ 1,029,037</u>	<u>\$ (618,200)</u>

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2026 AND 2025

	<u>2026</u>	<u>2025</u>
Cash flows from operating activities		
Net Loss	\$ (111,928)	\$ (75,753)
Increase in operating liabilities		
Payable to officer	<u>50,000</u>	<u>50,000</u>
Net cash used in operating activities	<u>(61,928)</u>	<u>(25,753)</u>
Net decrease in cash and cash equivalents	(61,928)	(25,753)
Cash and cash equivalents, beginning of year	<u>982,005</u>	<u>1,007,758</u>
Cash and cash equivalents, end of year	<u><u>\$ 920,077</u></u>	<u><u>\$ 982,005</u></u>

See note 4 for supplemental disclosures

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2026 AND 2025

NOTE 1: DESCRIPTION OF THE COMPANY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

S.H. Resources and Development Corporation, a Utah corporation, was formed in 1978 under the name Wildcat Exploration. In 1981, Wildcat Exploration changed its name to S.H. Resources and Development Corporation and began operating as a real estate investor. On June 30, 2011, the Company ended its long term ownership interest in a joint venture. Since that time, management has been actively seeking potential investments for the Company.

Principles of consolidation

The consolidated financial statements for the years ended March 31, 2026 and 2025 include the accounts of S. H. Resources and Development Corporation and its wholly owned subsidiary, Greer Piedmont Properties, Inc. (the Company). All intercompany accounts and transactions have been eliminated.

Income taxes

Income taxes are provided for the tax effects of transactions reported in the consolidated financial statements and consist of income taxes currently due plus deferred taxes related to differences between the bases of certain assets and liabilities for financial and tax reporting. Deferred income taxes are provided on temporary differences related to certain income and expense items, which are recognized for financial accounting purposes in one period and for tax purposes in another period.

The Company records a valuation allowance to reduce deferred tax assets to the net amount that management believes is more likely than not to be realized. Management considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income, and ongoing tax planning strategies in assessing the need for a valuation allowance.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Cash and cash equivalents

For purposes of the financial statements, management considers all short-term securities with a maturity within three months or less to be cash equivalents.



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2026 AND 2025

NOTE 1: (CONTINUED)

As of March 31, 2026, the Company held an investment in Federated Hermes US Treasury Cash Reserves. The fund is highly liquid and is invested in US Treasury debt. The securities are classified as cash equivalents and are recorded at market value of \$911,108 as of March 31, 2026. The cost basis of the securities was \$911,108.

As of March 31, 2025, the Company held a \$939,000 United States Treasury Bill that matured on April 24, 2025. The securities are classified as cash equivalents and are recorded at market value of \$936,455 as of March 31, 2025. The cost basis of the securities was \$926,330.

Concentration of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts are guaranteed by the FDIC up to \$250,000. At times such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. The Company has not experienced any losses in such accounts.

The Company periodically reviews the financial condition of financial institutions in which it maintains cash balances.

NOTE 2: INCOME TAXES

For federal income tax purposes, the Company files on a consolidated basis. For state reporting purposes, each corporation files its own income tax returns. Accordingly, the provision for state income taxes is the sum of the tax provisions for each corporation.

Income tax provisions are reported on the consolidated financial statements at the amount reported on the income tax returns. Under the accounting principles generally accepted in the United States of America, management must consider, measure, and disclose information about uncertain tax positions. As of March 31, 2026, management believes that no tax positions meet the disclosure thresholds under the applicable standards.

The federal income tax returns of the Company for 2025, 2024, 2023, and 2022 are subject to examination by the IRS, generally for three years after they are filed.

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes.



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2026 AND 2025

NOTE 2: (CONTINUED)

Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. Deferred income tax assets and liabilities represent the future income tax return consequence of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. The impact on deferred taxes of changes in tax rates and laws, if any, is applied to the years during which temporary differences are expected to be settled and reflected in the financial statements in the period enacted.

The components of the provision are summarized as follows:

March 31, 2026:	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
Federal	\$ -	\$ (162,303)	\$ (162,303)
State	900	(68,163)	(67,263)
Valuation allowance	-	230,466	230,466
Income tax provision	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ 900</u>
March 31, 2025:	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
Federal	\$ -	\$ (140,926)	\$ (140,926)
State	900	(59,163)	(58,263)
Valuation allowance	-	200,089	200,089
Income tax provision	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ 900</u>

The difference between the expected provision obtained by applying statutory rates to pretax income and the actual provision relates primarily to minimum taxes due. The increase in the valuation allowance for the year ending March 31, 2026 was \$30,377 and the increase in the valuation allowance for the year ending March 31, 2025 was \$24,348.

NOTE 3: RELATED PARTY TRANSACTIONS/DEBT FORGIVENESS INCOME

Under an agreement, the Company has an obligation to pay \$50,000 per annum for management services provided by an officer of the Company. As of March 31, 2026 and 2025, the accrued management fees totaled \$425,000 and \$375,000, respectively.

Additionally, the officer paid an obligation of the Company totaling \$6,126. The amount due to the officer is included in the payable to officer.



S. H. RESOURCES AND DEVELOPMENT CORPORATION
AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2026 AND 2025

NOTE 4: STATEMENT OF CASH FLOWS – SUPPLEMENTAL DISCLOSURES

	2026	2025
Income tax paid	\$ <u>900</u>	\$ <u>900</u>

NOTE 5: FAIR VALUE MEASUREMENTS

The Company measures its marketable securities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset.

The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis, whereby, inputs used in valuation techniques are assigned a hierarchical level.

The fair value of the Company's investments in securities reported as cash equivalents as of March 31, 2026 was \$911,108 and as of March 31, 2025 was \$936,455. The investments are classified as a Level 1 financial instrument. Level 1 financial instruments are traded in active markets and the fair value is based on quoted market prices for identical instruments.

NOTE 6: SUBSEQUENT EVENTS

Subsequent events were evaluated to determine if events that occurred should be reported or disclosed in the consolidated financial statements as of March 31, 2026. Events were evaluated through April 30, 2026, the date the consolidated financial statements were issued.

